

Preliminary Application Decision (Route B1)

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:	<p>Application X71-09 was published in the PT Board <i>Weekly Bulletin</i> on May 6, 2009. The application affects eight routes that are operated by GCTU.</p> <p>To correct an error respecting service to the community of Falkland, route B1 was re-published in the <i>Weekly Bulletin</i> on September 16, 2009.</p> <p>A preliminary application decision was published in the <i>Weekly Bulletin</i> on October 7, 2009.</p> <p><i>Note: This application was originally published in the name of Greyhound Canada Transportation Corp. Since the original publication date, the applicant's name was changed and registered with the BC Corporate Registry (August 2009). This is a name change only.</i></p>
Board Considerations:	<p>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:</p> <ol style="list-style-type: none">there is a public need for the service the applicant proposed to provide under any special authorization.the applicant is a fit and proper person to provide that service and is capable of providing that service, andthe application, if granted, would promote sound economic conditions in the passenger transportation business in British Columbia.
Public Notice & Comment:	<p>The initial publication of application X71-09 contained an error with respect to Route B1 as it relates to the community of Falkland. To ensure that the public had an opportunity to comment, the Board required that Greyhound re-publish information pertaining to this route. This republication of the corrected information consisted of:</p> <ul style="list-style-type: none">Posting of notice in the Falkland GCTU depotPublication in newspapers in Kamloops and VernonNotice provided to the Columbia Shuswap Regional District

Also, the Board re-published route B1 in the September 16, 2009, edition of the Board's *Weekly Bulletin*. The submission period ended October 6, 2009. As of October 7, 2009, no further submissions were received by the Board.

Board Decisions: **The minimum route frequency reduction sought by the applicant with respect to Route B1 is approved.**

This preliminary decision will not become final until we issue a decision on application X71-09 *in toto*. Should any matter arise in our review of the whole application that relates to any of the orders respecting preliminary decisions, we may reconsider any or all of the preliminary decisions. The applicant may act on this preliminary decision but should be aware of this caveat. The Board will not be accepting any further submissions with respect to route B1 or the other 6 routes that are the subject of a preliminary decision.

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.

Route B1

Kamloops - Kelowna

Affected Route Points

City of Kamloops	City of Enderby
Monte Creek	City of Armstrong
Falkland	City of Vernon
Village of Chase	Oyama
Sorrento	City of Kelowna
City of Salmon Arm	

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.

After publication in May 2009, the Board received submissions from four local governments, four individuals and a petition with 218 signatures. The panel considered each of the submissions and the applicant's response to each.

The four submissions from individuals came from the Enderby area. The persons signing the petition were mainly from the Enderby area. The petition contains the statement: "**For Enderby residents**, this route change would mean only one bus would come through Enderby at 8:20 pm going to Kamloops arriving at 10:25 pm. No further trips would be made to Kelowna." (*emphasis in original*) A newspaper article attached

to one of the individual letters makes a similar claim. All of the individual letters seem to be reacting, in some way, on the basis of this understanding. Each letter asks for the continuation of at least some level of service in each direction.

The information quoted above from the petition and the newspaper is not correct. In responding to the submissions, GCTU notes: "In fact, Greyhound is not proposing to change its current northbound frequency through Enderby. Schedule 5094 will remain. The only change proposed through Enderby is the elimination of Southbound Schedule 5019. With its elimination, Greyhound will continue to operate three daily southbound schedules connecting Enderby with Vernon and Kelowna."

The City of Enderby, in its submission, expressed particular concern about loss of northbound service. As noted above, the proposed MRF reduction does not impact the northbound schedules currently in place.

Submissions were received from the Thompson-Nicola Regional District and the City of Kamloops. Each of these expressed general disapproval of the proposed MRF reductions and made particular mention of the need for access by rural residents to medical facilities in Kelowna. As is noted above, if the application is granted, GCTU said it would continue to operate three daily southbound schedules via Enderby to Kelowna.

The City of Armstrong made a submission, including a motion by Council "...that the City of Armstrong disagrees with the Greyhound Canada request to reduce service to City of Armstrong, as proposed, and that service levels be maintained to at least one bus per day in each direction." GCTU, in its reply to this submission, notes: "...there will continue to be three daily southbound schedules connecting Enderby and Armstrong with Vernon and Kelowna. Further, there will continue to be, as there are presently, one northbound schedule connecting Enderby and Armstrong with Kamloops and two daily northbound schedules connecting Enderby and Armstrong with Salmon Arm."

In addition, GCTU provided a copy of the Monday to Saturday transit service operated by BC Transit between Vernon, Armstrong and Enderby on Vernon Regional Transit Route 60. This schedule indicates service in each direction five times daily on weekdays and four times daily on Saturdays.

The Board finds that the schedule to be continued by GCTU, together with the other available transportation options, satisfies the Board that an adequate level of service is maintained to meet the 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 has considered the evidence provided by the applicant with respect to its financial performance on this route. On balance, we find that the granting of this MRF on Route B1 would promote sound economic conditions in the passenger transportation industry in British Columbia.

In its preliminary decision of October 7, 2009, the panel found that the applicant put forward substantive evidence with respect to the financial performance on 6 of the 8 routes that were the subject of application X71-09. The panel makes the same finding with respect to route B1. 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 route B1 proposal 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.

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 the inter-city bus route and minimum route frequency as set out in the terms and conditions below. 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: B1

Terminating Point 1: City of Kamloops

Terminating Point 2: City of Kelowna

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	B1.1:		
	City of Kamloops	2	28
	Monte Creek	0	7fd
	B1.2(a):		
	Monte Lake	0	7 fd
	Westwold	0	7 fd
	Falkland	1	21
	B1.2(b):		
	Village of Chase	0	7
	Sorrento	0	7
	City of Salmon Arm	0	7
	City of Enderby	0	7
	City of Armstrong	0	7
	B1.3:		
	City of Vernon	3	42
	Oyama	3 fd	42 fd
	City of Kelowna Airport	0	7 fd
	City of Kelowna	3	42

Board Panel Chair: Dennis Day

Panel Member: William Bell

All Panel Members Concurring

Determination Date: October 13, 2009