

M.C. 4 (2004)

IN THE MATTER OF
the *Motor Carrier Act*,
R.S.N. 1990, c M-19

AND

IN THE MATTER OF
the Application of DRL
Coachlines Ltd. (“DRL”)
for approval of revised rates
for its trans island public
passenger bus service

WHEREAS by application received April 1, 2004, DRL applied to the Board of Commissioners of Public Utilities (the “Board”) for approval of a ten percent increase in rates charged to passengers using the trans island bus service; and

WHEREAS at the direction of the Board, DRL published notice of the application for a rate increase in *The Telegram* and *The Western Star* and posted notice of the application in each of its buses used on the trans island service; and

WHEREAS the Board received two submissions in relation to the application - one from Thomas Bus Company Limited and one from Parsons and Sons Transportation Limited; and

WHEREAS Thomas Bus Company Ltd. objected to the granting of the application and Parsons and Sons Transportation Limited requested the opportunity to make a presentation in relation to the application; and

WHEREAS the two submissions are premised on the fact that DRL is unfairly competing with other companies in charter work by subsidizing these operations with the profits from its trans island public passenger bus service, and

WHEREAS neither Thomas Bus Company Limited nor Parsons and Sons Transportation Limited provided any evidence, documentary or otherwise, in support of the suggestion of excess profits from the trans island public passenger bus service; and

WHEREAS the Board does not regulate the charter bus operations in the Province and the submissions do not provide information to support the positions put forward, the Board has determined that a presumptive case has not been made against the granting of the application and a public hearing is not justified in the circumstances; and

WHEREAS the information provided by DRL demonstrates an increase in expenses associated with the operation of the trans island public passenger bus service including insurance costs, fuel costs, and labour costs as well as costs associated with capital items; and

WHEREAS the Board after due examination and analysis of the submissions and information filed by DRL has determined that the proposed increase in rates for DRL's trans island public passenger bus service is reasonable and justified.

IT IS THEREFORE ORDERED THAT:

1. The Board hereby approves a ten percent increase in rates for the trans island public passenger bus service, effective on August 2, 2004.
2. DRL shall file with the Board within fifteen days of this Order an original Rate Schedule setting out all of the revised rates.

DATED at St. John's, Newfoundland and Labrador, this 30th day of July 2004.

Robert Noseworthy
Chairperson & Chief Executive Officer

G. Fred Saunders
Commissioner

Cheryl Blundon
Board Secretary