



ORDER

IN THE MATTER OF an application by Coach Atlantic Transportation Group Inc. for a variance of an Order in Matter 192.

(Matter No. 561)

November 16, 2023

ORDER

WHEREAS pursuant to its Decision in Matter 561 dated October 27, 2023 (Decision), the New Brunswick Energy and Utilities Board approved an application from Coach Atlantic Transportation Group (Coach Atlantic/Maritime Bus) to vary the Board's Order dated April 8, 2013 in Matter 192 (Order) to modify the fuel surcharge to include the cost of carbon adjustor and the federal fuel charge rates;

AND WHEREAS in its Decision, the Board approved the inclusion of the federal fuel charge rates and the cost of carbon adjustor to the fuel surcharge mechanism (FSM) in principle and directed Board Staff to submit to the Board for approval the details of such mechanism;

AND WHEREAS the Board has approved an updated methodology for the application of an FSM as submitted by Board Staff;

NOW THEREFORE IT IS ORDERED THAT:

1. The updated methodology for the application of an FSM, attached hereto in Appendix A, shall take effect on Wednesday, November 22, 2023.

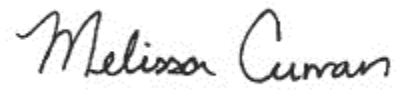
APPENDIX A

Methodology for Fuel Surcharge Mechanism

1. The FSM will be applied to the fare schedule approved for the Coach Atlantic/Maritime Bus line run service in the Board's decision of November 9, 2012 and NSUARB's decision of October 25, 2012. The FSM will consist of a surcharge of 0.5% for each 2.5 cent incremental increase in the price of ultra-low sulphur diesel fuel (ULSD) over an established "base price".
2. The FSM shall be calculated on a quarterly basis, reflecting the average daily spot price of ULSD for the preceding three calendar months. The price of ULSD, for the purpose of calculating the fuel surcharge, will be the average New York Harbour spot price for ULSD, less the "base price", plus the federal fuel charge for ULSD, plus the cost of carbon adjustment.
3. The average New York Harbour spot price will be calculated independently by the Board and the NSUARB, according to the petroleum pricing regulations in each province. Where the New Brunswick and Nova Scotia regulations produce a different average price for ULSD, the lower of the two amounts will be used in the fuel surcharge calculation.
4. The federal fuel charge for ULSD will be the amount that is in effect at the time the fuel surcharge is calculated.
5. The cost of carbon adjustment will be the average of the cost of carbon adjustments for the previous quarter. Should the New Brunswick and Nova Scotia adjustments differ, the lower amount will be used in the fuel surcharge calculation.
6. The fuel surcharge may increase or decrease as a consequence of the quarterly calculation but cannot result in a negative adjustment to the currently approved passenger fares.
7. Adjustments to the fuel surcharge will come into effect on the fifteenth day of the month following the period for which the quarterly adjustment has been calculated.
8. All adjustments to the fuel surcharge will require an order from the Board.
9. Coach Atlantic/Maritime Bus will post notice of any adjustment to the fuel surcharge on its website and in its terminals at least five business days prior to the adjustment coming into effect.
10. The "base price" will be the average New York Harbour spot price for ULSD for the period January 1, 2010 through June 30, 2010.
11. The fuel surcharge will be clearly identified as a separate charge on all passenger tickets.
12. The fuel surcharge will be calculated at the time of sale after approved discounts have been subtracted from the ticket price.
13. The FSM will be limited to price adjustments ranging between 0% and 35%. Should Coach Atlantic/Maritime Bus require an adjustment in excess of 35%, it will be required to apply to the Board for changes to its fares, rates and tolls. A new "base price" for the FSM will be set at that time.

Dated in Saint John, New Brunswick, this 16th day of November 2023.

BY THE BOARD

A handwritten signature in black ink that reads "Melissa Curran". The signature is written in a cursive style with a large initial 'M'.

Melissa Curran
Deputy Chief Clerk