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EXPEDITED ACTION REQUESTED

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB Docket No. MC-F-21062 TA

**Ace Express Coaches, LLC et al. –
Control -- Certain Properties of
Evergreen Trails, Incorporated d/b/a Horizon Coach Lines**

REQUEST FOR INTERIM APPROVAL

Pursuant to 49 U.S.C. § 14303(i) and the Board’s rules at 49 C.F.R. §1182.7, Ace Express Coaches, LLC (“Buyer”) and affiliated parties, All Aboard America! Holdings, Inc. (“AHI”), Celerity AHI Holdings SPV, LLC (“Celerity Holdings”), Celerity Partners IV, LLC (“Celerity Partners”), and Industrial Bus Lines, Inc. d/b/a All Aboard America! (“IBL”), seek interim approval prior to April 14, 2015 for Buyer to acquire and for IBL to temporarily manage and operate certain assets of Evergreen Trails, Incorporated d/b/a Horizon Coach Lines (“Seller”). As explained further in the Verified Application for permanent authority (“Application”) accompanying this Request for Interim Approval, Seller operates motorcoach services out of several locations across the country. The assets at issue here are only those assets operated by the Seller that are based in Colorado, including the Seller’s facilities, vehicles, leases and contracts based in Colorado (“Assets”). Further, as explained in the Application, Buyer is currently in the process of obtaining FMCSA operating authority but once the Board has granted permanent authority to Buyer and Buyer has obtained FMCSA operating authority, Buyer will

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take over the management and operation of certain of the Assets from its affiliate, IBL.¹ Interim approval of the acquisition of control of the Assets by Buyer and IBL, and approval of such interim control prior to April 14, 2015, is requested and warranted because Seller plans to terminate its Colorado motor carrier services provided with the Assets by that date for the reasons set forth below. Further, Applicants respectfully request that the Board act by no later than April 8, 2015 in order to allow sufficient time for the transition of operation of the Assets from Seller to IBL/Buyer in advance of the anticipated termination of Seller's services on April 14, 2015 should this Interim Application be granted, or for notification to the public of the termination of services should interim approval not be forthcoming.

A grant of interim approval is necessary to ensure continued bus service to the traveling public. Absent interim approval, Seller would be required to pay approximately \$500,000 to Occidental Insurance Company by an April 14th deadline to ensure continued public liability insurance coverage, required by law, for the motor coaches it operates in Colorado. The alternative is to cease operations because without that insurance coverage, Seller will not be able to continue lawfully operating the Assets beyond April 14, 2015.

The overwhelming majority of the approximately \$500,000 covers minimum premium obligations and is non-refundable, even upon the sale of the Assets or the cessation of service. Because Seller intends to sell the Assets to Buyer in the very near future (subject to Board approval of the permanent control authority Application), Seller is not prepared to sacrifice nearly \$500,000 in non-refundable insurance premiums to insure the operation of the Assets for the short period prior to the consummation of that sale. Absent interim approval, it would make

¹ As noted in the Application, Buyer will not immediately take over a contract to provide passenger shuttle services for certain Colorado installations of the U.S. Department of Defense. Rather, Buyer would have to wait one year from the date on which IBL begins operating this service before taking it over due to Department of Defense regulations.

more financial sense for Seller to not pay the \$500,000 and discontinue service. However, at that point, the Assets likely will have diminished in value because service will have ceased. At the same time, the public will have been disadvantaged by the loss of continuous service.

By contrast, if interim authority is granted before April 14, 2015, the Assets can be transferred to IBL's interim control before the \$500,000 payment is due and IBL can insure the Assets under its liability policies and continue operating the services while the parties await the Board's decision on the permanent control authority Application and FMCSA's approval of Buyer's operating authority. The public's interest in continuing service will thereby be met.

The standards under 49 U.S.C. § 14303(i) and 49 C.F.R. §1182.7 for granting a request for interim approval are met here because failure to grant such an interim approval may prevent the provision of continuous and adequate transportation services to the public. The Board has previously acted promptly on applications for interim approval filed in circumstances similar to those described here. *See, e.g., CUSA CSS, LLC d/b/a Crew Shuttle Services—Acquisition of Assets and Business Operations—Crew Shuttle Service, Inc.*, Docket MC-F-21012 TA (STB served May 16, 2005) (granting request for interim approval within two weeks because seller was unwilling to bear the financial burden of setting up a temporary dispatch center until the transfer to applicant was completed, and interim approval would allow the applicant to continue passenger service while applicant's concurrently filed application for permanent approval was pending); *Stagecoach Group PLC and Coach USA, Inc., et al.—Acquisition and Consolidation of Assets—Rockford Coach Lines, LLC*, Docket MC-F-21006 TA (STB served April 29, 2004) (Board granted request for interim approval within two weeks because it did not make financial sense for the seller to continue operations, and interim approval would enable passenger service to continue while applicants' concurrently filed application for permanent approval was

pending); *Northwest Motor Coach L.L.C. —Control—Evergreen Stage Line, Inc. and Evergreen Bus Co., Inc.*, Docket No. MC-F-20956 (STB served Oct. 18, 1999) (application for interim approval granted within two weeks of filing where current owners were unwilling to make further investment in carriers).

For the above reasons, the parties request that interim approval for the transaction described above and in the Application be granted in order to allow the services currently provided by Seller to the public to continue while the Application for permanent authority is pending. The parties further request that the Board act on this interim authority application by April 8, 2015 for the reasons stated above.²

Respectfully submitted,

CELERITY PARTNERS IV, LLC
CELERITY AHI HOLDINGS SPV, LLC
ALL ABOARD AMERICA! HOLDINGS, INC.
INDUSTRIAL BUS LINES, INC. d/b/a
ALL ABOARD AMERICA!
ACE EXPRESS COACHES, LLC

By Their Attorney



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² Please note that the verifications submitted as Exhibit 1 to the Application for permanent authority also apply to this interim authority application.