

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
  
PUGET SOUND EXPRESS, INC.  
  
BC-118

DOCKET TS-250979

ORDER 01

GRANTING PETITION TO  
TEMPORARILY DISCONTINUE  
2026 COMMERCIAL FERRY  
SERVICE; SUBJECT TO  
CONDITIONS

**BACKGROUND**

- 1 On December 24, Puget Sound Express, Inc. (Puget Sound Express or Company) [BC-118] filed with the Washington Utilities and Transportation Commission (Commission) a petition (Petition) requesting the Commission grant an indefinite discontinuance of service authorized under the Company's Certificate of Public Convenience and Necessity (Petition).
- 2 Puget Sound Express' certificate BC-118 authorizes passenger and freight service between Port Townsend and Friday Harbor. This service is performed between the months of May and September. The Company provided service to 185 regulated passengers between Port Townsend and Friday Harbor during 2025 and averaged 115 regulated passengers per year between 2020 and 2024. The overwhelming majority of Puget Sound Express's business is providing non-regulated whale watching excursions.
- 3 Regulated passengers on Puget Sound Express' vessel travel between Port Townsend and Friday Harbor on the same vessels that are performing whale watching tours. The Company provides for a two-hour lunch stop in Friday Harbor where regulated passengers can get off or on to make a one-way trip between the two ports.
- 4 Puget Sound Express serves a relatively small population of regulated passengers, and providing that commercial ferry service is hindering the Company's primary business of providing whale watching tours. Due to the unpredictability of wildlife, the sighting of which is the priority for the Company and the vast majority of passengers upon its vessel, the Company has some difficulty adhering to the time schedule in its tariff.

5 Accordingly, Puget Sound Express has petitioned to discontinue the regulated passenger service for the 2026 season to allow the Company the opportunity focus solely upon whale watching excursions and to determine if it can continue to support commercial ferry service beyond 2026.

6 The Company provided a customer notice at its terminals on January 1, 2026. The Commission has received no comments on the notice from customers. Friday Harbor is still served by more than 15 ferries daily by the Washington State Department of Transportation.

### **DISCUSSION**

7 Under WAC 480-51-130, a commercial ferry company must request approval from the Commission to discontinue some or all of its operations. The company must provide 15 days' notice to the Commission and the public before the effective date of the discontinuance. The Commission may not grant a discontinuance of service for a period longer than 12 months.

8 Because the Commission cannot grant an indefinite discontinuance of service, Commission staff (Staff) recommends the Commission deny the Petition in part given the terms of WAC 480-51-130.

9 Staff recommends that the Commission grants in part, the Petition filed by Puget Sound Express in Docket TS-250979 on December 24, 2025, to allow a 12-month temporary discontinuance of service, subject to the following conditions:

- (1) Puget Sound Express, Inc., is granted a conditional suspension of service from January 30, 2026, to January 29, 2027.
- (2) Puget Sound Express Inc. must file with the Commission a report on changes to operations and an update on the Company's pursuit of new assets no later than December 31, 2026.
- (3) Puget Sound Express Inc. must file any additional request for discontinuance with the Commission and must post public notice of such request, for the 2027 sailing season by December 1, 2026.

10 We grant Puget Sound Express' Petition, subject to the conditions Staff recommends, based on the understanding that while the Company is not providing service, it would neither protest nor impede another company from applying to provide competing service.

**FINDINGS AND CONCLUSIONS**

11 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including commercial ferry companies.

12 (2) Puget Sound Express, [BC-118], is engaged in the business of providing commercial ferry service within the state of Washington as a public service company and is subject to Commission jurisdiction.

13 (3) Under WAC 480-51-130, a commercial ferry company must request approval from the Commission to discontinue some or all of its operations. The company must provide 15 days' notice to the Commission and the public before the effective date of the discontinuance. The Commission may not grant a discontinuance of service for a period longer than 12 months.

14 (4) This matter came before the Commission at its regularly scheduled open meeting on January 29, 2026.

15 (5) Puget Sound Express' Petition should be granted in part, authorizing the Company to temporarily discontinue service from January 30, 2026 to January 29, 2027.

**ORDER**

**THE COMMISSION ORDERS:**

16 (1) The petition Puget Sound Express, Inc., filed requesting permission to indefinitely discontinue service authorized by Certificate of Public Convenience and Necessity BC-118 is DENIED. The Company is GRANTED temporary discontinuance, subject to conditions.

- 17 (2) Puget Sound Express, Inc. is allowed to temporarily discontinue service effective January 30, 2026, until January 30, 2027.
- 18 (3) Puget Sound Express Inc. must file with the Commission a report to changes to operations and an update on the Company's pursuit of new assets no later than December 31, 2026.
- 19 (4) Puget Sound Express Inc. must file any request for discontinuance with the Commission and must post public notices of such request for the 2027 sailing season by December 1, 2026.
- 20 (5) Should an immediate need arise for commercial ferry service, Puget Sound Express, Inc., BC-118, must be prepared to resume service to meet those needs. If Puget Sound Express Inc., BC-118 cannot, or will not, resume service, the Commission will deem that Puget Sound Express, Inc. has waived interest in its commercial ferry Certificate of Public Convenience and Necessity and will grant authority to another carrier that is prepared to meet the needs of the traveling public.
- 21 The Commissioners, having determined this order to be consistent with the public interest, has delegated authority to the Secretary to enter this Order under RCW 80.01.030 and WAC 480-07-905(6)(c).

DATED at Lacey, Washington and effective January 29, 2026.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP  
Executive Director and Secretary

**NOTICE TO PARTIES: This is an order delegated to the Executive Secretary for decision. As authorized in WAC 480-07-904(3), you must file any request for Commission review of this order no later than 14 days after the date the decision is posted on the Commission's website.**