

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET TC-141124
)	
SAN JUAN TRANSIT TOURS & CHARTERS, LLC)	ORDER 01
)	
Requesting Forbearance from Rate and Service Regulation as an Auto Transportation Company Under RCW 81.68.015)	ORDER GRANTING FORBEARANCE FROM RATE AND SERVICE REGULATION AS AN AUTO TRANSPORTATION COMPANY
.....)	

BACKGROUND

- 1 San Juan Transit Tours & Charters, LLC (San Juan Transit or Company) holds auto transportation certificate C-1006 authorizing regulated passenger service between Friday Harbor and Roche Harbor via the following routes: Front Street, Spring Street, San Juan Valley Road, Douglas Road, Harrison Street, Mullis Road, Turn Point Road, Pear Point Road, Little Road, Bailer Hill Road, West Side Road, Mitchell Bay Road, West Valley Road, Roche Harbor Road and Tucker Road and all intermediate points.
- 2 On May 22, 2014, and further revised on June 12, 2014, San Juan Transit filed with the Washington Utilities and Transportation Commission (Commission) an application requesting to extend its territory to include all points between San Juan Island, Orcas Island, and Lopez Island in Docket TC-141124, and requesting that the Commission forbear from rate and service regulation under RCW 81.68.015 its current service provides the public access to various recreational facilities, which includes transportation for employees working at the various destinations and the newly proposed service is for recreational purposes between San Juan Island, Orcas Island and Lopez Island using Washington State Ferries to travel between the Islands to the following locations:
 1. County, state, and federal parks, trailheads and boat launches, DNR and BLM public lands;
 2. Resorts, spas, hotels, motels, inns, bed and breakfasts, and shopping centers;
 3. Art galleries and museums, wineries/vineyards, working farms, farmer's markets, gardens of merit, and beach access points.
- 3 On June 24, 2014, the Commission published notice of San Juan Transit's petition in its Transportation Docket and established July 3, 2014, as the deadline for filing public

comment. The Commission received a letter of support on June 30, 2014, from the City of Friday Harbor.

DISCUSSION

- 4 RCW 81.68 generally requires auto transportation companies transporting persons and their baggage for compensation to hold a certificate of public convenience and necessity issued by the Commission.¹ However, RCW 81.68 “does not apply to a service carrying passengers for compensation over any public highway in this state between fixed termini or over a regular route if the Commission finds, with or without a hearing, that the service does not serve an essential transportation purpose, is solely for recreation, and would not adversely affect the operations of the holder of a certificate under this chapter, and that exemption from this chapter is otherwise in the public interest.”² Companies providing these services must instead obtain a permit under RCW 81.70.
- 5 San Juan Transit holds Certificate C-1006 and currently provides seasonal (June through Labor Day) regulated auto transportation service between Friday Harbor and Roche Harbor via the following routes: Front Street, Spring Street, San Juan Valley Road, Douglas Road, Harrison Street, Mullis Road, Turn Point Road, Pear Point Road, Little Road, Bailer Hill Road, West Side Road, Mitchell Bay Road, West Valley Road, Roche Harbor Road and Tucker Road and all intermediate points. If the Commission grants the Company’s petition, San Juan Transit would provide service between San Juan Island, Orcas Island and Lopez Island using Washington State Ferries to travel between Islands to various recreational destinations.
- 6 Commission Staff supports the Company’s petition for forbearance from rate regulation with regard to its current service and its proposed services because these services:
- (a) do not serve an essential transportation service;
 - (b) are solely for recreation; and
 - (c) would not adversely affect operations of any other certificate holder.

According to Commission Staff, transportation to various parks, trail heads, resorts, hotel, motel, and bed and breakfast, art galleries, wineries, farms and beach access points is not essential and should instead be considered recreational in nature. In addition,

¹ RCW 81.68.020 and RCW 81.68.040.

² RCW 81.68.015.

Commission Staff concludes that the authorized auto transportation service contained in Certificate No. 1006 meets the criteria of RCW 81.68.015 because San Juan Transit's published Tariff and Time Schedule shows the company has traditionally provided seasonal auto transportation service to various recreational destinations located on San Juan Island. Commission Staff is not aware of any other auto transportation company already providing similar services.

7 After full consideration of San Juan Transit's request, Commission Staff concludes that the Company's petition is in the public interest.

FINDINGS AND CONCLUSIONS

8 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including auto transportation companies.

9 (2) San Juan Transit is an auto transportation company and a public service company subject to Commission jurisdiction.

10 (3) This matter was brought before the Commission at its regularly scheduled meeting on July 10, 2014.

11 (4) San Juan Transit's current auto transportation service in Certificate No. 1006 and the proposed transportation services between San Juan Island, Orcas Island, and Lopez Islands do not serve an essential transportation service, are solely for recreation, and will not adversely affect the operations of any other certificate holder.

12 (5) Commission Staff supports the Company's petition for forbearance from rate and service regulation under RCW 81.68.015 in order to provide non-essential recreational transportation services.

13 (6) San Juan Transit's petition for forbearance from rate and service regulation is in the public interest and should be granted.

14 (7) All of San Juan Transit's tariffs and time schedules are cancelled.

ORDER

THE COMMISSION ORDERS:

- 15 San Juan Transit Tours & Charters, LLC modified application to extend its territory to include Orcas Island and Lopes Island, and its request for forbearance from rate and service regulation under RCW 81.68.015 is granted.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective July 10, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary