

**Exhibit No. SS-4T
Docket TS-160479
Witness: Scott Sevall**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In re Application of

MEI NORTHWEST LLC

**For a Certificate of Public Convenience
and Necessity to Operate Vessels in
Furnishing Passenger Ferry Service**

DOCKET TS-160479

CROSS-ANSWERING TESTIMONY OF

SCOTT SEVALL

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Cross-Answering Testimony

December 5, 2016

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Exhibit No. SS-5 Staff's Comparison of Estimated Expenses

1 **I. INTRODUCTION**

2

3 **Q. Please state your name, business address, and position of employment.**

4 A. My name is Scott Sevall. My business address is the Richard Hemstad Building,
5 1300 South Evergreen Park Drive Southwest, P.O. Box 47250, Olympia,
6 Washington 98504.

7

8 **Q. Are you the same Scott Sevall who submitted response testimony on behalf of**
9 **Staff on November 2, 2016, in this docket?**

10 A. Yes.

11

12 **Q. What is the purpose of your cross-answering testimony?**

13 A. I am responding to Arrow Launch Service, Inc.'s witness Weldon Burton's critique
14 of the financial fitness of the applicant.

15

16 **Q. Have you prepared exhibits?**

17 A. Yes. I have prepared one exhibit:

18 Exhibit No. SS-5 Staff's Comparison of Estimated Expenses.

19

1 \$300,000 cash on hand.⁴ The only way MEI would become non-viable for the 12-
2 month period would be if the operating results produce an operating loss greater than
3 \$300,000. In my estimation, that is an unlikely scenario.
4

5 **Q. In your opinion, does the company have the financial ability to provide the**
6 **proposed service for at least 12 months?**

7 A. Yes. The applicant has the financial resources to operate the proposed service for at
8 least 12 months, based upon the company's filed pro forma financial statement of
9 operations. In addition, it is my opinion that even with the pro forma adjustments
10 provided by Mr. Burton, MEI maintains the financial wherewithal to provide launch
11 service for the required minimum 12-month period.
12

13 **Q. Does this conclude your testimony?**

14 A. Yes.

⁴ Esch, Exh. No. RSE-1T at 13:21-22.