

# Lady of the Lake

Lake Chelan Boat Co.

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March 12, 2019

Mr. Andrew J. O'Connell  
PO Box 47250  
Olympia, WA 98504-7250

RE: **BENCH REQUEST NO. 3:** *In the Matter of the Application of Backcountry Travel, LLC For a Certificate of Public Convenience and Necessity to Operate Vessels in Furnishing Passenger Ferry Service, Docket TS-180677*

Dear Judge O'Connell,

The following is Lake Chelan Recreation, Inc.'s response to BENCH REQUEST NO. 3.

Lake Chelan Recreation, Inc. management's opinion is that its application to transfer the long standing Certificate BC000034 to Discover Lake Chelan, LLC has no impact on Backcountry Travel LLC's application. They are in no way connected. There are no overlapping owners or conditions of mutual operations, and Lake Chelan Recreation, Inc continues to strongly oppose the issuance of a certificate to Backcountry Travels, LLC.

As presented in the transfer application, Discover Lake Chelan, LLC will continue to operate Lake Chelan Recreation, Inc's current tariff and time schedule, with an eye to increase runs through networking with Chelan and Stehekin stakeholders, to increase visitation. This continuation and stabilization of what has historically been available to the public, (LCRI's service-BC000034), was in place prior to Backcountry Travel, LLC's application.

However, there is an unknown detrimental effect to the public if Backcountry Travel LLC is allowed to run and take away passengers from the reliable, responsible, and fair service operated under Certificate BC000034. Ultimately, increased fares to all passengers through rate increases for both services would be necessary. The operation of another service (BT, LLC and future operators appearing with a new twist on the schedule) may also curtail Discover Lake Chelan, LLC's ability and desire to be more creative with scheduled runs that may be possible due to their ownership of properties at both the Chelan and Stehekin ends of the lake. It may even curtail their ability to add back scheduled runs that Lake Chelan Recreation, Inc offered prior to the reductions made when the Holden mine cleanup, by the Rio Tinto Mining Company, closed Holden Village (port of Lucerne-2013). Some of the reduced runs have now been added back, with an eye to add more after the transfer is complete, and further data study can be done. Again, all decisions will be affected by any financial effect of smaller services being offered a certificate.

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To be very clear, LCRI's request for a transfer of the certificate, at this time, is due to the need for the current ownership to retire (after 35 years of service). LCRI has been working on this effort for nearly 3 years. This is not a new effort due to any other outside factor, such as Backcountry's application. The two local men who comprise Discover Lake Chelan, LLC are a perfect combination of boat operating skills, business and financial skills, and a vast knowledge of the needs of the entire region. LCRI hopes this collision of efforts in regards to the service on Lake Chelan does not derail this perfect match, that is in the best interest of the public. Future necessary actions by LCRI if the service is minimized to an unsellable state, or the certificate transfer to a qualified party is denied, would have an impact on the public.

If you have any further questions, we would be more than happy and appreciative of the opportunity to provide you with facts to help clarify the situation at hand.

Sincerely,

*Jack Raines*, President

*Cindy Engstrom*, Business Manager

Lake Chelan Recreation, Inc.