

Agenda Date: July 30, 2009
Item Number: B2

Docket: TS-091030

Company Name: Island Commuter Service, LLC, dba San Juan Island Commuter Service
BC-95

Staff: Amy White, Regulatory Analyst
Dennis Shutler, Consumer Protection Staff

Recommendation

Take no action, thereby allowing the revised rates filed by Island Commuter Service, LLC, dba San Juan Island Commuter Service on July 21, 2009, to become effective July 31, 2009, by operation of law.

Discussion

On June 29, 2009, Island Commuter Service, LLC, dba San Juan Island Commuter Service (Island Commuter or company), filed with the Utilities and Transportation Commission (commission) tariff revisions that would generate \$32,793 (22.6 percent) in additional annual revenue based on the prior year's regulated ticket sales which totaled \$144,862. The company operates regulated passenger-only ferry service between Bellingham in Whatcom County and the San Juan Islands in San Juan County, and unregulated whale watching excursion trips from Friday Harbor on San Juan Island. The proposed rates are prompted by increases in insurance, repair and maintenance, utilities and communications, and other operating expenses. The last rate increase for this service became effective May 8, 2005.

On June 29, 2009, the company notified its customers of the rate increase through the following postings: at the company's office in Bellingham; on the company's website; and an onboard posting on the vessel *Island Commuter 2*.

Staff's review of Island Commuter's operations revealed that the company's proposed rates were excessive. Staff and the company have agreed to a revised increase of \$28,525 (19.6 percent) in additional annual revenue. The company filed revised rates on July 21, 2009.

Customer Comments

The commission has received no customer comments on this filing as of July 27, 2009.

Rate Comparison

Customer Class	Current Ticket Price	Proposed Ticket Price	Staff Revised Ticket Price
Age 0 – 2 one way and round trip	\$ 0.00	\$ 0.00	\$ 0.00
Age 3 – 5 one way	\$ 0.00	\$29.00	\$28.00
Age 3 – 5 round trip	\$ 0.00	\$39.00	\$38.00
Age 6 – 12 one way	\$14.50	\$29.00	\$28.00
Age 6 – 12 round trip	\$24.50	\$39.00	\$38.00
Age 13 – 17 one way	\$14.50	\$39.00	\$38.00
Age 13 – 17 round trip	\$24.50	\$49.00	\$48.00
Age 18 – 20 one way	\$29.00	\$39.00	\$38.00
Age 18 – 20 round trip	\$49.00	\$49.00	\$48.00
Age 21 and older one way	\$29.00	\$49.00	\$48.00
Age 21 and older round trip	\$49.00	\$59.00	\$58.00

Commission staff has completed its review of the company's supporting financial documents, books and records. Staff's review shows that the expenses are reasonable and required as part of the company's operations. The company's financial information supports the revised revenue requirement and the revised rates and charges are fair, just, reasonable, and sufficient.

Conclusion

Take no action, thereby allowing the revised rates filed by Island Commuter Service, LLC, dba San Juan Island Commuter Service, on July 21, 2009, to become effective July 31, 2009, by operation of law.