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February 17, 2004

Ms. Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: San Juan Express, Inc.
Certificate No. BC-117
Request to **Temporarily** Discontinue Ferry Service to Rosario

RECEIVED
RECORDS MANAGEMENT
04 FEB 18 AM 8:22
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Dear Ms. Washburn:

San Juan Express, Inc. ("SJE") holds Certificate No. BC-117 which, among other routes, allows for passenger and freight ferry service between Seattle and Orcas Island, specifically Rosario.

Per Washington Utilities and Transportation Commission approval in 2003 of a temporary discontinuance of service (TS-03701), SJE did not provide service from Friday Harbor to Rosario for the period June 12, 2003 to June 11, 2004.

The 2004 summer travel season will soon be upon us and SJE is in the process of preparing its tariff for summer service. Like last year, pursuant to WAC 480-51-130, San Juan Express, Inc. respectfully requests that the Commission grant SJE permission to temporarily discontinue providing its commercial ferry service to Rosario under its Certificate No. BC-117.

SJE's reasons for requesting the temporary discontinuance to Rosario are as follows:

1. Discretionary travel to premium-priced destinations near international waters still appears out of favor due to international hostilities and threats.
2. Insufficient passenger volume to yet warrant renewal of service. Overall demand to the San Juan Islands has declined in recent years, although we hope that problem will begin improving this season.
3. Inordinate costs of operation, including Rosario Resort's decision to commence charging for dock use.

SJE understands that pursuant to WAC 408-51-130 the Commission will not grant permission for discontinuance of service for periods exceeding twelve months. Accordingly, SJE requests that the Commission grant them temporary discontinuance to Rosario for twelve (12) months.

Clipper Navigation, Inc.

2701 Alaskan Way, Pier 69
Seattle, WA 98121-1199
Reservations: 206-448-5000
Administration: 206-443-2560
FAX: 206-443-2583

www.victoriaclipper.com

254 Belleville Street
Victoria, BC V8V 1W9 Canada

Reservations: 250-382-8100
Administration: 250-384-8322
FAX: 250-382-2152

Please place SJE's Request to Temporarily Discontinue Ferry Service to Rosario on the Agenda for the next Commission meeting consistent with complying with notice requirements. Thank you for your assistance.

Yours truly,

Darrell E. Bryan
Executive Vice President and General Manager

cc: Mark J. Richardson