

*Lake Chelan Recreation, Inc.
Dba Lake Chelan Boat Company
P.O. Box 186
Chelan, WA 98816*

March 12, 2009

Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504

To Whom It May Concern:

Please find enclosed rate case information as required at the closing of Docket TR-081877, Order 02.

Lake Chelan Boat Company is submitting rate case information that **supports maintaining the rates and sailing schedule currently in affect**. This is a continued effort to achieve our goal of a responsible balance between customer rates and service levels.

This is achieved by:

- Recalculating 2008 fuel costs at the price per gallon currently embedded in our rate structure (2.558 per gallon). The actual 2008 average cost per gallon was 3.78 per gallon. A fuel surcharge would need to be added, as it has been historically, if and when the price per gallon exceeds 2.558 per gallon.
- Minimal pay increase of .25 cents per hour per employee.
- Officer Salary decrease.
- The reduction of service days previously applied for and granted.

Attached you will find:

- 1) a 2009 Pro Forma – in WUTC Annual Report format, stating 2008 final financial numbers, with 2009 known changes, along with an attachment providing further back up of stated adjustments.
- 2) the public notice letter that was e-mailed to more than 40 interested individuals, is posted on the “Lady Express”, in the main ticketing office and other locations, and posted on the local news website golakechelan.com.
- 3) revised tariff pages 1, 6 and 7, indicating no change in rates or charges.

We enter this year with a very attentive eye on ridership. The drop in ridership, due to the lack of visitor services in Stehekin, (closure of the NPS concession facility-Stehekin Landing Resort from November 2008 through March 2009, along with the further reduced services until June 12, 2009), occurred in November, December, and January, as we had projected in earlier filings. The continued drop in ridership, not only from this closure, but from the downward trend that has been occurring since 1999, and the current economy, will continue to affect both the service we can provide and the rates for those services. As stated above, we watch the activity daily and may need to make very quick and decisive changes as we go forward.

We would like to remind the Commission that on 12/2/08 and 12/3/08, we were visited by two of the WUTC's Regulatory Analysts, and that it would seem to be in the best interest of all if our case was assigned to one of these individuals, as they have reviewed our books and have the best understanding of our operation.

If further information is needed, please contact Cindy Engstrom at 509-682-1123, or by e-mail at cindy@ladyofthelake.com.

Thank you for your assistance in allowing Lake Chelan Boat Company to maintain a safe, reliable, and viable service on Lake Chelan.

Sincerely,

Jack Raines

Jack Raines, President