

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	DOCKET NO. TS-040274
	)	
San Juan Express, Inc., BC-117	)	ORDER NO. 01
	)	
Petitioner,	)	
	)	
For Commission Permission	)	ORDER GRANTING
Allowing Temporary	)	TEMPORARY
Discontinuance of Commercial	)	DISCONTINUANCE OF
Ferry Service.	)	SERVICE
.....	)	

**BACKGROUND**

- 1 On February 18, 2004, San Juan Express, Inc. (SJ Express or Company), holder of commercial ferry certificate of public convenience and necessity BC-117, filed with the Washington Utilities and Transportation Commission a petition requesting permission from the Commission for an additional one year temporary discontinuance of service authorized under the Company's certificate.
  
- 2 The Company normally operates annually from mid-June through mid-September providing commercial ferry service between Friday Harbor (San Juan Island) and Rosario Resort (Orcas Island.)
  
- 3 Last year in Docket TS-030701, the Company asked for its first temporary discontinuance of service to Rosario from June 12, 2003 to June 11, 2004. The Commission granted the request on June 11, 2003. The instant petition represents the company's second consecutive request for a discontinuance.

- 4 In its petition the Company reports it has lost money on this run in each of the past few years, passenger counts are declining, operating expenses are increasing, and Rosario Resort still intends to impose landing or per passenger fees.
- 5 The Company requests that the Commission grant permission to temporarily discontinue service to Rosario for a period of twelve months, returning to service in June 2005. The Company believes that such a temporary discontinuance will have little effect on the traveling public, since other alternatives are available, principally the Washington State Ferry system. No complaints concerning this matter have been received by the Commission. A written notice was faxed/mailed to Rosario Resort on March 12, 2004. No comments have been received from Rosario Resort.
- 6 WAC 480-51-130 provides:

No certificate holder shall discontinue the service authorized under its certificate and set forth in its filed time schedule without first having given to the commission and to the public, at least fifteen days' notice, in writing, of its intention to discontinue such service, and without having secured the commission's permission. The commission shall not grant permission for discontinuance of service for periods exceeding twelve months.

### FINDINGS AND CONCLUSIONS

- 7 (1) SJ Express, BC-117, is engaged in the business of providing commercial ferry service within the state of Washington as a public service

company, and is subject to the jurisdiction of the Commission. *Chapter 81.84 RCW and WAC 480-51.*

- 8 (2) On February 18, 2004, SJ Express filed with the Commission a petition requesting Commission permission to discontinue service to Rosario as authorized by the Company's certificate of public convenience and necessity, BC-117. The discontinuance requested by the Company encompasses the period of June 12, 2004, to June 11, 2005.
- 9 (3) The proposed discontinuance petition by SJ Express, BC-117, is reasonable because the Company has experienced operating losses in recent years, decreased patronage, and increased operating expenses. Other travel options are available to the public, principally through the Washington State Ferry system. No comments have been received from Rosario Resort.
- 10 (4) This matter was brought before the Commission at its regularly scheduled open meeting on March 24, 2004.

### ORDER

#### THE COMMISSION ORDERS:

- 11 (1) Permission is given to San Juan Express, Inc., BC-117, to temporarily discontinue service to Rosario authorized under its certificate of public convenience and necessity for the period June 12, 2004, to June 11, 2005.
- 12 (2) This authorization is conditioned on San Juan Express, Inc. resuming service should an immediate need arise for commercial ferry service. San Juan Express, Inc., BC-117 must be prepared to resume service to meet those needs. If San Juan Express, Inc., BC-117 cannot, or will not, resume service the Commission will deem that the Company has

waived interest in its commercial ferry certificate. The Commission will then institute proceedings to cancel the Company's certificate and to grant authority to another carrier who is prepared to meet the needs of the traveling public.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 24<sup>th</sup> day of March, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary