

Agenda Date: August 4, 2016  
Item Number: B1

Docket: TC-160821  
Company Names: Friday Harbor Jolly Trolley, Inc.  
d/b/a Friday Harbor Jolly Trolley

Staff: Mike Young, Section Manager, Water and Transportation  
Suzanne Stillwell, Licensing Services Manager

### **Recommendations**

Issue an order granting the request from Friday Harbor Jolly Trolley Inc., for forbearance from rate and service regulation as an auto transportation company under RCW 81.68.015.

### **Discussion**

On June 21, 2016, Friday Harbor Jolly Trolley, Inc., d/b/a Friday Harbor Jolly Trolley (Jolly Trolley, or company) filed with the Washington Utilities and Transportation commission (commission) an application requesting that the commission forbear from rate and service regulation under RCW 81.68.015, which exempts service carrying passengers for compensation if that service is not an essential transportation service, is solely for recreation and would not adversely affect a holder of an auto transportation certificate.

Jolly Trolley holds Charter and Excursion authority under certificate CH-67128 and seeks to provide passenger service from Friday Harbor to various points on San Juan Island. Jolly Trolley provides guided tours of San Juan Island to educate clients about each destination prior to arrival, regarding marine and wildlife, rescue and preservation. The company offers a video and volunteer tour guide on the bus and provides on and off service at each location.

Commission staff reviewed the request and supports Jolly Trolley's request for forbearance from rate and service regulation. Transportation to various parks, trail heads, resorts, hotels, motels, whale watching operators, wineries, lavender farms and beach access points is not essential and should be considered recreational in nature. San Juan Transit Tours & Charters, LLC (San Juan Transit), who also operates bus service on San Juan Island, filed a request for similar reasons in Docket TC-141124. In that filing the commission granted forbearance from rate and service regulation under RCW 81.68.015 in Order 1 issued July 10, 2014 (Charter and Excursion certificate CH-1006). Therefore as of the date of this filing, there are no active auto transportation certificates in the San Juan Island area.

## **Comments**

On June 21, 2016, the commission advised regulated auto transportation companies of the request for forbearance from rate regulation through the public docket. This notice gives certificated auto transportation companies the opportunity to protest the application within 30 days. We did not receive an objection from any certificated auto transportation company. However, staff received 22 comments.

Seventeen commenters support this filing for a variety of reasons. They believe that getting on and off the trolley at various stops and spending time in those locations makes a difference in the tour experience. Competition in the marketplace is a good thing; tourism should not be regulated and we should not limit the service to fewer operators. Opportunity for businesses and choices and flexibility for consumers is in the public interest.

San Juan Transit and its staff submitted four comments in opposition. The company is concerned that the new competition is affecting its business. The company also understands that Jolly Trolley must apply for auto transportation authority to conduct its tours with on and off service; and, if Jolly Trolley's service meets the criteria in the law it may request forbearance from rate and service regulation. One consumer is concerned that the company is disrupting the other bus company and not following the rules and regulations. Staff explained that Jolly Trolley is seeking this authority so that it complies with the commission rules about passenger bus services.

## **Conclusion**

Commission staff determined that Jolly Trolley is fit and able to provide the applied-for service. Commission staff further concludes that the service provided by Jolly Trolley meets the exemption criteria of RCW 81.68.015 in that the service is not an essential transportation service, is for recreation, and would not harm any other auto transportation certificate holder.

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