

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET TS-120418
)	
ISLAND MARINER CRUISES, INC.,)	ORDER 01
)	
Petitioner,)	
)	
Relating to Discontinuance of)	
Commercial Ferry Service Authorized)	ORDER GRANTING
by Certificate of Convenience and)	DISCONTINUANCE OF
Necessity No. BC-95)	SERVICE
.....)	

BACKGROUND

- 1 On March 27, 2012, Island Mariner Cruises, Inc. (Island Mariner or Company), filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting the Commission grant a discontinuance of service authorized under Island Mariner’s Certificate of Convenience and Necessity No. BC-95.
- 2 Island Mariner operates seasonal service beginning on the third Saturday in May through Labor Day in September each year. The Company provides commercial ferry service between Bellingham, Washington, and Friday Harbor (San Juan Island), via Elisa, Sinclair, Cypress, Blakely, Decatur, Crane, Jones, Spieden, Johns, Stuart, Waldron, Sucia and Matia Islands with an additional stop at Roche Harbor on San Juan Island, Rosario Resort, Olga and Doe Bay on Orcas Island, Lopez and Shaw Islands.
- 3 Island Mariner stated its petition is based on its lack of time to locate a vessel due to the recent termination of a leasing agreement between Island Mariner and Pacific Cruises Northwest d/b/a Victoria San Juan Cruises (Pacific Cruises). Pacific Cruises requested Island Mariner to jointly file to withdraw the leasing agreements, originally scheduled to continue through 2022, to allow Pacific Cruises to sell a portion of its Certificate of Convenience and Necessity No. BC-10. The Commission terminated the leasing agreements on April 6, 2012, in Docket No. TS-070019 and TS-070020.

4 Island Mariner requests that it be allowed to discontinue service for a period of twelve months, beginning April 30, 2012, returning to provide service on or before April 30, 2013. Island Mariner believes it can locate a vessel within the 12-month period.

5 Under WAC 480-51-130, a commercial ferry company must request approval from the Commission to discontinue some or all of its operations. The company must provide 15 days' notice to the Commission and the public before the effective date of the discontinuance. The Commission shall not grant a discontinuance of service for a period longer than twelve months.

6 Commission Staff reviewed the petition, concluded that a discontinuance of service would allow the Company time to acquire a boat to provide service in the future, and recommended that Island Mariner's petition be granted.

FINDINGS AND CONCLUSIONS

7 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including commercial ferry companies. RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.08, RCW 81.12, RCW 81.16 and RCW 81.84.

8 (2) Island Mariner is engaged in the business of providing commercial ferry service within the state of Washington as a public service company, and is subject to Commission jurisdiction.

9 (3) Under WAC 480-51-130, a commercial ferry company must request approval from the Commission to discontinue some or all of its operations. The company must provide 15 days' notice to the Commission and the public before the effective date of the discontinuance. The Commission shall not grant a discontinuance of service for a period longer than twelve months.

10 (4) This matter came before the Commission at its regularly scheduled open meeting on April 26, 2012.

11 (5) The petition Island Mariner filed should be granted, authorizing Island Mariner to discontinue service from April 30, 2012, until April 30, 2013.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The petition Island Mariner Cruises, Inc., filed requesting permission to
discontinue service authorized by Certificate of Convenience and Necessity
No. BC-95 is granted.
- 13 (2) The discontinuance is effective from April 30, 2012, until April 30, 2013.
- 14 (3) Should an immediate need arise for commercial ferry service, Island Mariner
Cruises, Inc., must be prepared to resume service to meet those needs. If
Island Mariner Cruises, Inc., cannot, or will not, resume service, the
Commission will deem that Island Mariner Cruises, Inc., has waived interest
in its commercial ferry certificate of public convenience and necessity and
will grant authority to another carrier who is prepared to meet the needs of the
traveling public. The Commission will then institute proceedings to cancel
Island Mariner Cruises, Inc.'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 April 26, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary