BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

SAN JUAN EXPRESS, INC., d/b/a SAN JUAN EXPRESS

DOCKET TS-200248

ORDER 01

Petitioner,

GRANTING PETITION

Seeking to temporarily discontinue service

BACKGROUND

 On March 20, 2020, San Juan Express, Inc., d/b/a San Juan Express, (San Juan or Company) filed with the Washington Utilities and Transportation Commission (Commission) a Petition requesting temporary suspension of services due to low, or no, ridership as a result of restrictions implemented in response to the COVID-19 pandemic. The Company provides commercial ferry service from Seattle to Friday Harbor, San Juan Islands.

In its Petition, San Juan asserts that travel restrictions enacted by federal and state governments due to the COVID-19 pandemic have drastically reduced demand for travel. The Company proposes to temporarily suspend services until the restrictions are lifted and economic conditions warrant resuming service. The Company also states that, due to drastically decreased ridership in a short period of time, it must cut back its operating expenses in order to continue to provide at least some service to the public.

3 Washington Administrative Code (WAC) 480-51-130 provides that commercial ferries must secure the Commission's permission prior to discontinuing service, and that the Commission may authorize such discontinuance for up to 12 months.

4 Commission staff (Staff) reviewed the request and agrees with the Company that it is in the public interest to reduce costs by suspending service, ensuring the Company is financially fit to provide service in the future. Therefore, Staff recommends granting San Juan's Petition to temporarily discontinue service effective May 25, 2020.

DISCUSSION

- 5 We agree with Staff's recommendation and grant San Juan' Petition, thereby allowing the company to temporarily discontinue service effective May 25, 2020. The Governor's Proclamation 20-05 placed Washington in a state of emergency due to the COVID-19 pandemic, and the more recent Proclamation 20-25 restricts travel except for limited purposes.
- 6 Here, we find that the Company is making a good faith effort to provide service in accordance with its certificate of public convenience and necessity. We also recognize the financial impacts the Company is facing due to severely limited travel during the COVID-19 pandemic. Accordingly, we conclude that allowing the Company to respond to rapidly changing economic conditions by granting its request is consistent with the public interest, the purposes underlying regulation, and applicable statutes.

FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, and affiliated interests of public service companies, including commercial ferry companies.
- 8 (2) San Juan is a commercial ferry company and a public service company subject to Commission jurisdiction.
- 9 (3) Pursuant to WAC 480-51-130, the Commission may grant a temporary discontinuance of service for up to 12 months.
- 10 (4) This matter came before the Commission at its regularly scheduled meeting on May 21, 2020.
- (5) Based on the COVID-19 pandemic and resulting state of emergency, the
 Commission finds good cause to allow the temporary discontinuance of service
 by San Juan filed on March 20, 2020, to become effective on May 25, 2020.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The Commission grants San Juan Express, Inc., d/b/a San Juan Express's Petition for temporary discontinuance of service filed on March 20, 2020.
- 13 (2) The Commission retains jurisdiction over the subject matter and San Juan
 Express, Inc., d/b/a San Juan Express, to effectuate the provisions of this Order.
- 14 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective May 21, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON Executive Director and Secretary