

APPENDIX A

67 The record in this proceeding supports granting the authorities requested in a fashion that will promote healthy competition in the development of commercial ferry services on Lake Washington while protecting against ruinous competition. To best ensure that both goals are met, it is necessary to condition the grant of such authorities. The Commission must simultaneously provide both applicants the flexibility they need to develop specific routes as various landside approvals are obtained, yet guard against allowing more than one operator to serve any particular route.

69 Several of the routes authorized do overlap. We identify these, as follows:

1. The University of Washington, in Seattle, and the LakePointe development, in Kenmore (Dutchman Marine), overlaps with The University of Washington, in Seattle, and Kenmore (Seattle Harbor Tours)
2. The University of Washington, in Seattle, and Meydenbauer Bay, in Bellevue (Dutchman Marine), overlaps with The University of Washington, in Seattle, and Bellevue (Seattle Harbor Tours).
3. The University of Washington, in Seattle, and the Marina Park dock, in Kirkland (Dutchman Marine), overlaps with The University of Washington, in Seattle, and Kirkland (Seattle Harbor Tours);
4. The University of Washington, in Seattle, and the Southport dock, in Renton (Dutchman Marine), overlaps with The University of Washington, in Seattle, and Renton (Seattle Harbor Tours); and
5. The University of Washington, in Seattle, and Newport Shores, in Bellevue (Dutchman Marine), overlaps with The University of Washington, in Seattle, and Bellevue (Seattle Harbor Tours).

70 Our grants of authority as to these overlapping routes are conditioned by requiring that to the extent one operator or the other obtains such additional authority as is required to initiate service (*e.g.*, docking rights, land use permits) and actually initiates service, that route is thereafter not available to the other operator unless additional authority is sought from the Commission and is supported by a showing that the existing operator has failed or refused to furnish reasonable and adequate service. This condition is intended to spur both applicants to work diligently and aggressively with the appropriate authorities in Seattle and the other jurisdictions toward the goal of implementing commercial ferry service over multiple routes within the shortest possible time. At the same time, this condition will prevent ruinous competition by limiting service on any particular route (*i.e.*, between the same two termini) to one service provider, at least initially and for some reasonable period of time, if not indefinitely.