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October 23, 2008

Luly Massaro, Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: Interstate Navigation Company
Docket No. 3762 – Compliance Filing – Traditional Ferry Service

Dear Luly:

As you know, this office represents Interstate Navigation Company (Interstate).

Enclosed for filing are the original and nine (9) copies of a Compliance Filing. Interstate is requesting an automatic CPI rate increase for its traditional ferry service to become effective on January 1, 2009, as provided in the Rate Plan approved in Docket No. 3762.

Also enclosed are the following:

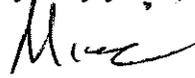
1. The direct testimony of Walter E. Edge, Jr., MBA, CPA, with attached exhibits, including the old and new tariffs.
2. Proposed notice for your review and comment.
3. Application.

Digital files will also be emailed to you.

Interstate is filing for an automatic CPI rate increase of 5.2%, applicable to all traditional ferry service rates, except commuter passenger rates, commuter vehicle rates, and freight rates, for which there will be no increase.

Please let me know if you need any further information or documentation.

Very truly yours,



Michael R. McElroy

MRMc:tmg

cc: Thomas Ahern, Administrator
Paul Roberti, Esq.
Katherine Merolla, Esq.
Block Island Town Clerk (certified mail, RRR)
Narragansett Town Clerk
Mark McSally, Esq.
Newport City Clerk
Susan E. Linda
Joshua Linda
Walter E. Edge, Jr., MBA, CPA

NOTICE OF FILING

The Interstate Navigation Company (“Interstate”) hereby gives notice that in Docket No. 3762, Interstate filed with the Rhode Island Public Utilities Commission (the “Commission”) new traditional ferry service rates and schedules. The impact of the proposal as currently filed is a CPI rate increase of 5.2% on all rate classes, except that there will be no rate increase for commuter passenger rates, commuter vehicle rates, freight rates, or Interstate’s high speed ferry service rates.

The new rates are proposed to take effect on January 1, 2009.

A copy of our filing is available at the offices of Interstate Navigation Company’s attorney, Michael R. McElroy, 21 Dryden Lane, P.O. Box 6721, Providence, RI 02940-6721, and at the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, RI 02888, and may be examined by the public during business hours. This notice is given pursuant to the Commission’s Rules of Practice and Procedure.

Interstate Navigation Company

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: 3762

RATE CHANGE APPLICATION RE: AUTOMATIC CPI INCREASE

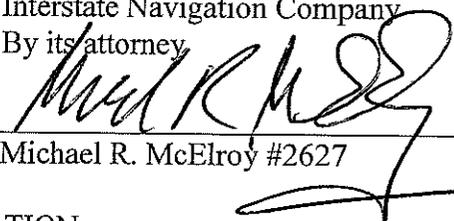
Pursuant to R.I.G.L. § 39-1-1 et seq., Interstate Navigation Company hereby applies for authorization and permission to increase certain of its rates as shown on the proposed tariffs attached to the testimony of Walter E. Edge, Jr.

The following is provided pursuant to Rule 1.9 of the Rules of Practice and Procedure:

1. NAME OF APPLICANT: The Interstate Navigation Company, a Connecticut Corporation licensed to do business in Rhode Island.
2. PLACE OF BUSINESS: The Company's principal Rhode Island operations are in Point Judith and Block Island. However, the Company's Administrative Offices are at 12 Eugene O'Neil Drive, New London, Connecticut 06320.
3. NOTICES: Correspondence or communications in regard to this Application should be addressed to:

Michael R. McElroy, Esq.
Schacht & McElroy
P.O. Box 6721
Providence, RI 02940-6721
Tel: (401) 351-4100
Fax: (401) 421-5696
Email: McElroyMik@aol.com

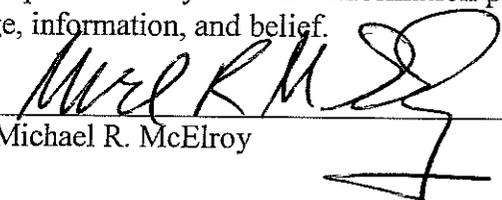
Interstate Navigation Company
By its attorney


Michael R. McElroy #2627

Date: 10/23/08

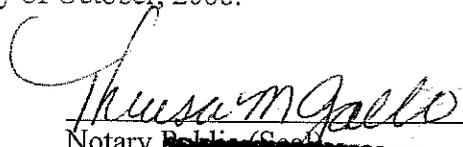
VERIFICATION

Michael R. McElroy, being first duly sworn deposes and says that the information presented in this Application is true to the best of his knowledge, information, and belief.


Michael R. McElroy

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

Sworn to and subscribed before me this 23rd day of October, 2008.


Notary Public (Seal)



DOCKET No. 3672
COMPUTATIONAL COMPLIANCE FILING
SUBMITTED ON BEHALF OF INTERSTATE NAVIGATION COMPANY

REGARDING:
CONSUMER PRICE INDEX (CPI) PERCENTAGE CHANGE
IN TRADITIONAL FERRY SERVICE RATES
ALLOWED IN DOCKET No. 3762
AS PART OF A FIVE YEAR RATE PLAN
USING THE YEAR OVER YEAR SEPTEMBER CPI-U NORTHEAST
FOR
A RATE INCREASE IMPLEMENTATION ON JANUARY 1, 2009

TESTIMONY
Of
WALTER E. EDGE JR. MBA CPA PRESIDENT
B&E CONSULTING LLC

OCTOBER 2008

1 **Q. Are you the same Walter Edge who has previously filed direct and rebuttal**
2 **testimony in Docket 3762?**

3 A. Yes I am.
4

5 **Q. What is the purpose of you testimony?**

6 A. I will provide the necessary computations for the Division and the Commission to
7 verify my calculation of the automatic CPI rate increase for Interstate's traditional ferry
8 service provided in year three of the five year rate plan approved by the Commission in
9 Docket 3762. I will also provide the calculation of the new rates and the new tariffs for
10 those rates that will change. Please note that the commuter passenger, commuter
11 vehicles, freight rates and fast ferry service rates are excluded from the automatic CPI
12 increase allowed in the third year of the rate plan.
13

14 **Q. Mr. Edge, how did the "Amended Settlement Agreement" approved in Docket**
15 **3762 address inflation in the five year rate plan for the calendar years 2007, 2008,**
16 **2009, 2010, and 2011?**

17 A. Calendar years 2007 and 2008 were "rate freeze period" years and therefore the plan
18 provided no inflation adjustment in those two years. For the calendar years 2009, 2010,
19 and 2011 the plan provides for the following:
20

21 **"2. Inflation**

22 **On or before November 15, 2008, 2009, and 2010, Interstate is authorized to**
23 **file with the Commission a percentage change in rates, to be effective on the**
24 **following January 1, equal to the percentage change in the average**
25 **Consumer Price Index ("CPI-U Northeast) from the twelve months ended**
26 **September 30 of the prior year to the twelve months ended September 30 of**
27 **the current year. Notwithstanding the foregoing, rates applicable to**
28 **commuters, commuter vehicles, and freight shall not be increased for any**
29 **rate increase authorized pursuant to this paragraph." (See page 7 of the**
30 **Amended Settlement Agreement which is attached as Appendix A to PUC**
31 **order 18957, effective January 1, 2007 in Dockets 3762 and 3764.)**
32

33 **Q. Mr. Edge, have you made the computation required in the above paragraph?**

34 A. Yes I have.
35

1 **Q. Would you please explain your computation and steps taken for the record?**

2 A. Certainly. First I went on the internet and found the web site for the U.S.
3 Department of Labor. I then requested the Consumer Price Index table for the Northeast
4 referred to above as CPI-U (urban consumers) Northeast (See Attachment 1). I reviewed
5 that table and found the September 2007 CPI-U Northeast consumer price index
6 (221.436). I compared the 2007 September CPI to the September 2008 CPI-U Northeast
7 (232.841) and determined that the percentage change from 12 months ago was 5.2%

8
9 **Q. What did you do next?**

10 A. I obtained a copy of the current traditional ferry service rates approved in Docket No
11 3762 and computed the new compliance tariffs that would be needed to reflect a 5.2%
12 CPI increase. My computations do not reflect increases in the rates for commuters,
13 commuter vehicles, freight or fast ferry service, in compliance with the Commission
14 order quoted above. See Schedule WEE-A.

15
16 **Q. Have you provided the new tariffs that include the new rates that you have
17 computed?**

18 A. Yes. I have prepared the new passenger and vehicle traditional ferry service tariffs.
19 Please note that, as approved in past ferry rate filings, I calculated rates to the nearest
20 nickel. These new tariffs exclude freight rates which are a separate set of tariffs and were
21 not changed as a result of this filing. The new passenger and vehicle traditional ferry
22 service tariffs include the commuter and commuter vehicle rates, but these rates were not
23 changed as a result of this filing. See Attachment 2. The old passenger and vehicle
24 tariffs are also provided for comparison. See Attachment 3.

25
26 **Q. Does that conclude your testimony?**

27 A. Yes it does.

Analysis of Current & New Rates Interstate Navigation

Schedule WEE-A

	Current Rates		CPI - U (NE) Percentage Increase	New Rates *	
	A	B		A	B
A	Between Newport and Block Island				
B	Between Point Judith and Block Island				
Adult Passenger Fares					
One Way Adult	9.85	10.10	5.2%	10.36	10.63
Round Trip Adult	14.50	16.55	5.2%	15.25	17.41
Children Passenger Fares					
One Way Children	4.65	5.20	5.2%	4.89	5.47
Round Trip Children	6.70	8.20	5.2%	7.05	8.63
Commuter Rate	10.50	10.50	0.0%	10.50	10.50
Auto	N/A	45.00	5.2%	N/A	47.34
Bicycles	2.90	2.90	5.2%	3.05	3.05
Electric Bicycles	7.50	7.50	5.2%	7.89	7.89
Motorcycles	19.70	19.70	5.2%	N/A	20.72
Pickup Trucks SUV & Vans	N/A	54.30	5.2%	N/A	57.12
Trucks	N/A	5.10 /lf	5.2%	N/A	5.37 /lf
Hazardous Trucks	N/A	7.65 /lf	5.2%	N/A	8.05 /lf
Commuter Vehicles					
Auto	N/A	27.00	0.0%	N/A	27.00
Pickups, SUV & Vans	N/A	32.75	0.0%	N/A	32.75

* Note : New Rates in the new tariff will be rounded to the nearest nickel, in accordance with the usual practice.
See Attachment - 2.

Analysis of Current & New Rates Interstate Navigation

Schedule WEE-A

A	Between Newport and Block Island			CPI - U (NE)		
B	Between Point Judith and Block Island			Percentage		
		Current Rates		Increase	New Rates *	
		A	B		A	B
	Oversized Vehicles	N/A	3.75 /lf	5.2%	N/A	3.95 /lf
	Vehicles over 7' High	N/A	5.10 /lf	5.2%	N/A	5.37 /lf
	Car Reservation Cancellation	N/A	10.00	5.2%	N/A	10.52
	Vehicle Overhang Charge	N/A	7.00	5.2%	N/A	7.36
	Block Ticket Sales					
	Block Ticket Sales Charges	N/A	19.50	5.2%	N/A	20.51
	Block Ticket Charges for other arrangements	N/A	35.00	5.2%	N/A	36.82
	Online Sales Charge	N/A	2.00	5.2%	N/A	2.10
	Lost Ticket Charge	N/A	13.00	5.2%	N/A	13.68
	Weight Premium	N/A	50.00	5.2%	N/A	52.60

* Note : New Rates in the new tariff will be rounded to the nearest nickel, in accordance with the usual practice.
See Attachment - 2.



U.S. Department of Labor



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Data extracted on: October 16, 2008 (10:58:39 AM)

Consumer Price Index - All Urban Consumers

Series Id: CUUR0100SA0, CUUS0100SA0
 Not Seasonally Adjusted
 Area: Northeast urban
 Item: All items
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
1998	168.8	169.1	169.3	169.5	169.4	169.6	169.9	170.5	170.6	171.3	171.2	171.2	170.0	169.3	170.8
1999	171.4	171.6	171.9	172.8	172.8	173.1	173.4	174.1	174.8	175.5	175.5	175.5	173.5	172.3	174.8
2000	176.2	177.6	178.5	178.5	178.4	179.0	179.8	179.9	180.7	181.2	181.5	181.3	179.4	178.0	180.7
2001	182.2	182.8	183.7	184.2	184.6	185.3	185.0	185.1	185.1	185.0	185.0	184.2	184.4	183.8	184.9
2002	184.9	186.1	187.0	187.8	187.7	187.8	188.3	189.3	189.5	189.9	190.1	189.6	188.2	186.9	189.5
2003	190.5	191.7	193.0	192.6	192.7	192.8	193.5	194.3	195.0	195.4	195.1	194.9	193.5	192.2	194.7
2004	195.9	196.8	198.6	199.4	199.9	201.1	201.0	201.0	201.2	202.5	202.6	201.9	200.2	198.6	201.7
2005	202.6	203.6	206.0	206.9	206.2	206.2	207.9	208.7	210.8	211.5	210.0	209.0	207.5	205.3	209.7
2006	211.0	211.6	212.8	214.7	215.7	216.7	217.5	218.1	216.3	215.2	214.8	215.2	215.0	213.8	216.2
2007	215.813	216.651	218.334	219.501	220.591	221.579	221.945	221.559	221.436	221.951	223.356	223.425	220.512	218.745	222.279
2008	224.325	225.213	226.926	228.133	230.089	232.649	234.545	233.788	232.841					227.889	

12 Months Percent Change

Series Id: CUUR0100SA0, CUUS0100SA0
 Not Seasonally Adjusted
 Area: Northeast urban
 Item: All items
 Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
1998	1.6	1.3	1.2	1.4	1.6	1.6	1.4	1.6	1.3	1.5	1.6	1.7	1.4	1.4	1.5
1999	1.5	1.5	1.5	1.9	2.0	2.1	2.1	2.1	2.5	2.5	2.5	2.5	2.1	1.8	2.3
2000	2.8	3.5	3.8	3.3	3.2	3.4	3.7	3.3	3.4	3.2	3.4	3.3	3.4	3.3	3.4
2001	3.4	2.9	2.9	3.2	3.5	3.5	2.9	2.9	2.4	2.1	1.9	1.6	2.8	3.3	2.3
2002	1.5	1.8	1.8	2.0	1.7	1.3	1.8	2.3	2.4	2.6	2.8	2.9	2.1	1.7	2.5
2003	3.0	3.0	3.2	2.6	2.7	2.7	2.8	2.6	2.9	2.9	2.6	2.8	2.8	2.8	2.7
2004	2.8	2.7	2.9	3.5	3.7	4.3	3.9	3.4	3.2	3.6	3.8	3.6	3.5	3.3	3.6
2005	3.4	3.5	3.7	3.8	3.2	2.5	3.4	3.8	4.8	4.4	3.7	3.5	3.6	3.4	4.0
2006	4.1	3.9	3.3	3.8	4.6	5.1	4.6	4.5	2.6	1.7	2.3	3.0	3.6	4.1	3.1
2007	2.3	2.4	2.6	2.2	2.3	2.3	2.0	1.6	2.4	3.1	4.0	3.8	2.6	2.3	2.8
2008	3.9	4.0	3.9	3.9	4.3	5.0	5.7	5.5	5.2					4.2	

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STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. _____

INTERSTATE NAVIGATION COMPANY

LOCAL TARIFF

Naming

PASSENGER AND VEHICLE RATES

FOR TRADITIONAL SERVICE

APPLYING BETWEEN

POINTS AND PLACES IN THE STATE OF

RHODE ISLAND

(As Indicated Herein)

EFFECTIVE: January 1, 2009

ISSUED BY:

Interstate Navigation Company
Susan Linda, President
Post Office Box 482
New London, Connecticut 06320

RULE NO. 5 PETS OR ANIMALS ACCOMPANYING PASSENGERS:

Animals or pets will not be allowed to accompany passengers aboard ships unless such animals are securely under leash.

RULE NO. 10 BAGGAGE DEFINED:

- (a) Baggage may be either personal or sales sample cases defined as follows: Personal luggage or baggage consists of wearing apparel, toilet articles or similar effects in actual use, necessary and appropriate for the wear, use, comfort or convenience of the passenger for the purpose of the trip and not intended for other persons or for sale. Sample cases are those to be used by salesman containing samples or articles or merchandise for sale and for future transportation and not articles for immediate sale forthwith.
- (b) Money, jewelry, negotiable papers or like valuables should not be enclosed in baggage to be checked. This carrier will not be responsible for such articles in baggage.
- (c) All baggage must be enclosed in receptacles such as trunks, valises, suit cases, leather hat boxes or satchels provided with handles, securely locked or otherwise fastened and made of material of sufficient strength and durability and quality to withstand the rapid handling and piling incidental to its transportation.

RULE NO. 15 BAGGAGE ACCOMPANYING PASSENGERS:

Each passenger purchasing an adult or child one way ticket will be allowed to transport without charge fifty (50) pounds of luggage or baggage, which must be carried on and off the ship by the passenger at points of embarkation and debarkation.

RULE NO. 20. ARTICLES IN AUTOMOBILES:

Carrier will not be responsible for articles left in automobiles when not loaded in car trunks.

RULE NO. 25 DAMAGE TO AUTOMOBILES IN TRANSIT:

Any alleged damage to automobiles aboard ship shall be reported to ship's officers prior to leaving the dock at destination.

RULE NO. 30 ROUND TRIP TICKET:

The carrier will not be responsible to persons holding round trip tickets for failure to provide return carriage due to weather or mechanical failure; the carrier will honor the return ticket by providing carriage as soon as the weather and the sea are fit for navigation and the equipment is fit to operate.

RULE NO. 35a OVERSIZED VEHICLES:

Deck space in general is restricted in the vessels by height and width. Outside deck space (which can accommodate higher vehicles) is also very limited in availability. Therefore, Oversized Vehicles, (which include cars, pick-up trucks, SUVs and vans) that do not fit the standard sized description of a standard car, pick-up truck, or van, will be charged an Oversized Vehicle rate of \$3.95 per linear foot, but only if they are 7' in height or less. If they are over 7' high, see Rule 35b. A standard car is no more than 18' long, 6' wide, and 5' high. As examples, without limiting the generality of the foregoing, the following are Oversized Vehicles that will be charged the per linear foot Oversized Vehicle rate of \$3.95 per linear foot but only if they are 7' in height or less:

- Any vehicles (including but not limited to cars, vans, and pick-ups) that are over 6' in width at the widest point.
- Extended cab pick-up trucks.
- Dual-wheel vehicles (including but not limited to the F350 Ford Series).
- Small dump trucks with a pick up front, and a dump body.
- Stake body trucks.
- Vehicles where racks extend the length of the car, van or pick-up.
- Vehicles that are wider than standard. For example, the vehicle has a utility body containing tool boxes, or the body of the vehicle is not ordinary or standard open backed.
- Vehicles that have ladder racks, or racks that hold pipes or other items on their roof.
- Any trailers (including but not limited to utility trailers), that are longer or wider than a standard car or are over 6' wide at the widest.

RULE 35b VEHICLES OVER 7' HIGH OR THAT REQUIRE OUTSIDE DECK SPACE:

- Any vehicles (including but not limited to cars, vans, pick-ups, SUVs, and trailers of any type) that are over 7' in height at the highest point will be charged the \$5.35 per linear foot truck rate.
- Any vehicles that require the use of the limited outside deck space will charged the per linear foot truck rate of \$5.35 per linear foot. For example, people will often put their bikes on their car, and they often need outside deck space due to the extra height. We cannot guarantee them the outside deck space (trucks have priority) and the bikes and racks may have to come down. In such a case, if the bikes and racks come down and the car, van or pick-up is then otherwise standard size, the standard car, van or pick-up truck rate will apply, and the standard charges will also apply to the bikes, racks, or other items removed from the vehicle.

RULE NO. 40 TIME LIMIT ON SUITS:

Suits to recover on any claim for loss of life or bodily injury must be instituted within one (1) year from the day when the death or injury occurred. Suits to recover on any claim other than loss of life or bodily injury, including breach of contract, must be instituted within six (6) months of the scheduled arrival of the passenger or property at destination.

RULE NO. 45 SCREENING AND INSPECTION:

Pursuant to Homeland Security Coast Guard Regulations, entering the ferry facility is deemed valid consent to screening or inspection; and failure to consent or submit to screening or inspection will result in denial or revocation of authorization to enter.

RULE NO. 50 ARTICLES LEFT ABOARD VESSEL:

Carrier will not be responsible for articles left aboard the vessel. Such shipments shall be charged for at the minimum rates provided in the company's tariffs.

RULE NO. 55 DAMAGE TO AUTOMOBILES:

All vehicles are transported at owner's sole risk. Drivers must accompany vehicles. The company will not be responsible for any damages to vehicles while in transport or while they are being loaded and unloaded aboard the vessel. The owner or driver must drive the vehicle on and off the vessel. In the event a vessel is canceled, the car reservation is also canceled. Any alleged damage to automobiles shall be reported to vessel's officers prior to leaving dock at destination.

RULE NO. 60 CAR RESERVATION CANCELLATIONS:

Car reservations may be changed two times 7 full days in advance of departure, then only one time within 7 days of departure. Cancellations made 7 full days in advance will be assessed a \$10.50 cancellation fee for each cancellation. No refunds will be made for cancellations made within 7 days of departure.

RULE NO. 65 VEHICLE OVERHANG CHARGE:

There is a \$7.35 additional charge per each way, in addition to the vehicle fee, for items over 7' on top of cars, and the same fee will be charged for items on the front, back and side of vehicles as well as items overhanging the roof of vehicles that exceed the length or width of the vehicle.

RULE NO. 70 NON-STANDARD VEHICLE CHARGES:

Vehicles that require more than one car space (such as limousines) may be charged an increased rate based on the amount of deck space required for the vehicle as opposed to a standard car or SUV (see also Rule 35).

RULE NO. 75 BLOCK TICKET SALES CHARGE:

There is a \$20.50 block ticket sales service charge for all block sales of 25 or more tickets. The block ticket sales service charge for arrangements made for group travel that includes making luncheon reservations, bus tours, and/or other similar amenities shall be \$36.80.

RULE NO. 80 ONLINE SALES CHARGE:

For all online internet and telephone call center passenger transactions, there is a \$2.10 convenience fee per transaction, to cover postage/handling charges.

RULE NO. 85 LOST TICKET CHARGE:

There is a \$13.70 charge for all lost tickets which are replaced (each way).

RULE NO. 90 GROUP DISCOUNTS:

Carrier may from time to time apply a 15% promotional group discount rate to groups of 25 or more.

RULE NO. 95 ADVANCE TICKET DISCOUNT:

Carrier may sell advance tickets on a pay for 9 tickets in advance, get 10 tickets basis.

RULE NO. 100 COMMUTER RATE ELIGIBILITY:

Only the holders of a Rhode Island driver's license with solely a Block Island address on the license are eligible for commuter rates, and to be eligible for the commuter standard sized car, SUV, van and pick up rates, (Oversized Vehicles as defined in Rule 35, are not eligible for the commuter vehicle rate), the vehicle (1) must be driven by a driver with solely a Block Island license, and (2) must have solely a Block Island address on its registration. Also, Block Island resident school students who are over the age of eleven, but under the age of sixteen who attend the Block Island School may obtain the adult resident commuter rate by presenting a valid Block Island School Photo Identification Card which will be issued by the Town of New Shoreham.

EXPLANATION OF ABBREVIATIONS

No. = Number

P.O. = Post Office

R.I. = Rhode Island

R.I.P.U.C = Rhode Island Public Utilities Commission

NA = Not Available

PLF. = Per Linear Foot

PASSENGER RATES
(Rates in Dollars and Cents Per Passenger)

ITEM:

Between Newport and Block Island Apply Column A Rates

Between Point Judith and Block Island Apply Column B Rates

COLUMN

A	B						
---	---	--	--	--	--	--	--

5 ADULT PASSENGER FARES

ONE WAY ADULT	\$10.35	\$10.65					
ROUND TRIP ADULT	\$15.25	\$17.40					

**10 CHILDREN PASSENGER
FARES**

ONE WAY	\$4.90	\$5.45					
ROUND TRIP	\$7.05	\$8.65					

Commuter Rate \$10.50 (See Rule 100)**Senior Discount** (over 65 years):

\$.50 off non-commuter one way tickets

\$1.00 off non-commuter round trip tickets

NOTE a. The passenger rates for children published in Item No. 10 will apply to children five (5) years of age up to and including children eleven (11) years of age when accompanied by an adult. For children twelve (12) years of age and older the adult passenger fares published in Item No. 5 will be charged.

NOTE b. Children under five (5) years of age when accompanied by an adult will be transported free.

FOR EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS SEE PAGE 5.

VEHICLE RATES

ITEM:

Between Block Island and Newport Apply Column A Rates
 Between Block Island and Point Judith Apply Column B Rates

RATES IN DOLLARS AND CENTS PER UNIT (one way)

		COLUMN	
		A	B
15	Automobiles (See Rules 20, 25, 35, 50, 55, 60, 65 and 70 herein and Rule 20 of Freight Tariff)	n/a	47.35
16	Bicycles	3.05	3.05
16a	Bicycle wagons, whether or not attached to a bicycle	3.05	3.05
16b	Tandem Bicycles, whether or not attached to a bicycle	3.05	3.05
16c	Electric Bicycles, motorized skateboards, and mini-motorcycles	7.90	7.90
17	Motorcycles	20.70	20.70
18	Pick-up trucks, vans, and SUV's (See Rules 20, 25, 35, 50, 55, 60, 65 and 70 herein and Rule 20 of Freight Tariff)	n/a	57.10
19	Trucks* (See note)	n/a	5.35/lf
20	Hazardous Trucks* (See note)	n/a	8.05/lf

Commuter Vehicle Rates:

- Standard-sized Automobiles \$ 27.00
 (See Rules 20, 25, 35, 50, 55, 60, 65, 70, and 100 herein and Rule 20 of Freight Tariff)
- Standard-sized Pick-up Trucks, Vans, and SUVs \$ 32.75
 (See Rules 20, 25, 35, 50, 55, 60, 65, 70, and 100 herein and Rule 20 of Freight Tariff)

* Note: Except as set forth below, trucks carrying hazardous materials or dangerous goods, as defined by 49 CFR, Subchapter C Hazardous Materials Regulations, the U.S. Coast Guard, and the International Maritime Organization, can not be transported aboard passenger vessels. Therefore, except as set forth below, when carrying these materials, the vessel must operate strictly as a cargo vessel, and the per foot rate is as set forth above for hazardous trucks. For this purpose, the Carrier will make a vessel available as a cargo vessel on a reservation only, as available basis, at the rate set forth above per same day round trip run from Point Judith to Block Island and return (maximum 4 hours). When available, the cargo vessel must be scheduled to leave Point Judith and complete the run at the discretion of the Carrier.

Trucks which carry sludge for the New Shoreham Sewer Commission will be required to travel on the hazardous truck cargo vessel, and will not be allowed to travel on a vessel with passengers, but will be allowed to travel at the regular truck rate of \$5.35 per linear foot, because the sludge is not a hazardous material or dangerous good as defined by 49 CFR, Subchapter C, but odor from the truck is a problem for ferry passengers. In addition, trucks which carry garbage for the Town of New Shoreham will also be allowed, on an as-needed basis, to travel on the hazardous truck cargo vessel, but at the standard truck rate of \$5.35 per linear foot, or they may travel on the usual passenger ferry.

Trucks which have a gross weight of 50,000 pounds or more and are not tractor trailer trucks and are not carrying property for the Town of New Shoreham will be required to pay, in addition to the per linear foot truck rate, a weight premium of \$52.60 per one way trip due to the weight limitations imposed upon the ferry vessels.

STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. 3762

INTERSTATE NAVIGATION COMPANY

LOCAL TARIFF

Naming

PASSENGER AND VEHICLE RATES

FOR TRADITIONAL SERVICE

APPLYING BETWEEN

POINTS AND PLACES IN THE STATE OF

RHODE ISLAND

(As Indicated Herein)

EFFECTIVE: January 1, 2007

ISSUED BY:

Interstate Navigation Company
Susan Linda, President
Post Office Box 482
New London, Connecticut 06320

RULE NO. 5 PETS OR ANIMALS ACCOMPANYING PASSENGERS:

Animals or pets will not be allowed to accompany passengers aboard ships unless such animals are securely under leash.

RULE NO. 10 BAGGAGE DEFINED:

- (a) Baggage may be either personal or sales sample cases defined as follows: Personal luggage or baggage consists of wearing apparel, toilet articles or similar effects in actual use, necessary and appropriate for the wear, use, comfort or convenience of the passenger for the purpose of the trip and not intended for other persons or for sale. Sample cases are those to be used by salesman containing samples or articles or merchandise for sale and for future transportation and not articles for immediate sale forthwith.
- (b) Money, jewelry, negotiable papers or like valuables should not be enclosed in baggage to be checked. This carrier will not be responsible for such articles in baggage.
- (c) All baggage must be enclosed in receptacles such as trunks, valises, suit cases, leather hat boxes or satchels provided with handles, securely locked or otherwise fastened and made of material of sufficient strength and durability and quality to withstand the rapid handling and piling incidental to its transportation.

RULE NO. 15 BAGGAGE ACCOMPANYING PASSENGERS:

Each passenger purchasing an adult or child one way ticket will be allowed to transport without charge fifty (50) pounds of luggage or baggage, which must be carried on and off the ship by the passenger at points of embarkation and debarkation.

RULE NO. 20. ARTICLES IN AUTOMOBILES:

Carrier will not be responsible for articles left in automobiles when not loaded in car trunks.

RULE NO. 25 DAMAGE TO AUTOMOBILES IN TRANSIT:

Any alleged damage to automobiles aboard ship shall be reported to ship's officers prior to leaving the dock at destination.

RULE NO. 30 ROUND TRIP TICKET:

The carrier will not be responsible to persons holding round trip tickets for failure to provide return carriage due to weather or mechanical failure; the carrier will honor the return ticket by providing carriage as soon as the weather and the sea are fit for navigation and the equipment is fit to operate.

RULE NO. 35a OVERSIZED VEHICLES:

Deck space in general is restricted in the vessels by height and width. Outside deck space (which can accommodate higher vehicles) is also very limited in availability. Therefore, Oversized Vehicles, (which include cars, pick-up trucks, SUVs and vans) that do not fit the standard sized description of a standard car, pick-up truck, or van, will be charged an Oversized Vehicle rate of \$3.75 per linear foot, but only if they are 7' in height or less. If they are over 7' high, see Rule 35b. A standard car is no more than 18' long, 6' wide, and 5' high. As examples, without limiting the generality of the foregoing, the following are Oversized Vehicles that will be charged the per linear foot Oversized Vehicle rate of \$3.75 per linear foot but only if they are 7' in height or less:

- Any vehicles (including but not limited to cars, vans, and pick-ups) that are over 6' in width at the widest point.
- Extended cab pick-up trucks.
- Dual-wheel vehicles (including but not limited to the F350 Ford Series).
- Small dump trucks with a pick up front, and a dump body.
- Stake body trucks.
- Vehicles where racks extend the length of the car, van or pick-up.
- Vehicles that are wider than standard. For example, the vehicle has a utility body containing tool boxes, or the body of the vehicle is not ordinary or standard open backed.
- Vehicles that have ladder racks, or racks that hold pipes or other items on their roof.
- Any trailers (including but not limited to utility trailers), that are longer or wider than a standard car or are over 6' wide at the widest.

RULE 35b VEHICLES OVER 7' HIGH OR THAT REQUIRE OUTSIDE DECK SPACE:

- Any vehicles (including but not limited to cars, vans, pick-ups, SUVs, and trailers of any type) that are over 7' in height at the highest point will be charged the \$5.10 per linear foot truck rate.
- Any vehicles that require the use of the limited outside deck space will be charged the per linear foot truck rate of \$5.10 per linear foot. For example, people will often put their bikes on their car, and they often need outside deck space due to the extra height. We cannot guarantee them the outside deck space (trucks have priority) and the bikes and racks may have to come down. In such a case, if the bikes and racks come down and the car, van or pick-up is then otherwise standard size, the standard car, van or pick-up truck rate will apply, and the standard charges will also apply to the bikes, racks, or other items removed from the vehicle.

RULE NO. 40 TIME LIMIT ON SUITS:

Suits to recover on any claim for loss of life or bodily injury must be instituted within one (1) year from the day when the death or injury occurred. Suits to recover on any claim other than loss of life or bodily injury, including breach of contract, must be instituted within six (6) months of the scheduled arrival of the passenger or property at destination.

RULE NO. 45 SCREENING AND INSPECTION:

Pursuant to Homeland Security Coast Guard Regulations, entering the ferry facility is deemed valid consent to screening or inspection; and failure to consent or submit to screening or inspection will result in denial or revocation of authorization to enter.

RULE NO. 50 ARTICLES LEFT ABOARD VESSEL:

Carrier will not be responsible for articles left aboard the vessel. Such shipments shall be charged for at the minimum rates provided in the company's tariffs.

RULE NO. 55 DAMAGE TO AUTOMOBILES:

All vehicles are transported at owner's sole risk. Drivers must accompany vehicles. The company will not be responsible for any damages to vehicles while in transport or while they are being loaded and unloaded aboard the vessel. The owner or driver must drive the vehicle on and off the vessel. In the event a vessel is canceled, the car reservation is also canceled. Any alleged damage to automobiles shall be reported to vessel's officers prior to leaving dock at destination.

RULE NO. 60 CAR RESERVATION CANCELLATIONS:

Car reservations may be changed two times 7 full days in advance of departure, then only one time within 7 days of departure. Cancellations made 7 full days in advance will be assessed a \$10.00 cancellation fee for each cancellation. No refunds will be made for cancellations made within 7 days of departure.

RULE NO. 65 VEHICLE OVERHANG CHARGE:

There is a \$7.00 additional charge per each way, in addition to the vehicle fee, for items over 7' on top of cars, and the same fee will be charged for items on the front, back and side of vehicles as well as items overhanging the roof of vehicles that exceed the length or width of the vehicle.

RULE NO. 70 NON-STANDARD VEHICLE CHARGES:

Vehicles that require more than one car space (such as limousines) may be charged an increased rate based on the amount of deck space required for the vehicle as opposed to a standard car or SUV (see also Rule 35).

RULE NO. 75 BLOCK TICKET SALES CHARGE:

There is a \$19.50 block ticket sales service charge for all block sales of 25 or more tickets. The block ticket sales service charge for arrangements made for group travel that includes making luncheon reservations, bus tours, and/or other similar amenities shall be \$35.00.

RULE NO. 80 ONLINE SALES CHARGE:

For all online internet and telephone call center passenger transactions, there is a \$2.00 convenience fee per transaction, to cover postage/handling charges.

RULE NO. 85 LOST TICKET CHARGE:

There is a \$13.00 charge for all lost tickets which are replaced (each way).

RULE NO. 90 GROUP DISCOUNTS:

Carrier may from time to time apply a 15% promotional group discount rate to groups of 25 or more.

RULE NO. 95 ADVANCE TICKET DISCOUNT:

Carrier may sell advance tickets on a pay for 9 tickets in advance, get 10 tickets basis.

RULE NO. 100 COMMUTER RATE ELIGIBILITY:

Only the holders of a Rhode Island driver's license with solely a Block Island address on the license are eligible for commuter rates, and to be eligible for the commuter standard sized car, SUV, van and pick up rates, (Oversized Vehicles as defined in Rule 35, are not eligible for the commuter vehicle rate), the vehicle (1) must be driven by a driver with solely a Block Island license, and (2) must have solely a Block Island address on its registration. Also, Block Island resident school students who are over the age of eleven, but under the age of sixteen who attend the Block Island School may obtain the adult resident commuter rate by presenting a valid Block Island School Photo Identification Card which will be issued by the Town of New Shoreham.

EXPLANATION OF ABBREVIATIONS

No. = Number

P.O. = Post Office

R.I. = Rhode Island

R.I.P.U.C = Rhode Island Public Utilities Commission

NA = Not Available

PLF. = Per Linear Foot

PASSENGER RATES
(Rates in Dollars and Cents Per Passenger)

ITEM:

Between Newport and Block Island Apply Column A Rates
Between Point Judith and Block Island Apply Column B Rates

COLUMN

A	B						
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5 ADULT PASSENGER FARES

ONE WAY ADULT	\$9.85	\$10.10					
ROUND TRIP ADULT	\$14.50	\$16.55					

**10 CHILDREN PASSENGER
FARES**

ONE WAY	\$4.65	\$5.20					
ROUND TRIP	\$6.70	\$8.20					

Commuter Rate \$10.50 (See Rule 100)

Senior Discount (over 65 years):

\$.50 off non-commuter one way tickets

\$1.00 off non-commuter round trip tickets

NOTE a. The passenger rates for children published in Item No. 10 will apply to children five (5) years of age up to and including children eleven (11) years of age when accompanied by an adult. For children twelve (12) years of age and older the adult passenger fares published in Item No. 5 will be charged.

NOTE b. Children under five (5) years of age when accompanied by an adult will be transported free.

FOR EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS SEE PAGE 5.

VEHICLE RATES

ITEM:

Between Block Island and Newport Apply Column A Rates
 Between Block Island and Point Judith Apply Column B Rates

RATES IN DOLLARS AND CENTS PER UNIT (one way)

		COLUMN	
		A	B
15	Automobiles (See Rules 20, 25, 35, 50, 55, 60, 65 and 70 herein and Rule 20 of Freight Tariff)	n/a	45.00
16	Bicycles	2.90	2.90
16a	Bicycle wagons, whether or not attached to a bicycle	2.90	2.90
16b	Tandem Bicycles, whether or not attached to a bicycle	2.90	2.90
16c	Electric Bicycles, motorized skateboards, and mini-motorcycles	7.50	7.50
17	Motorcycles	19.70	19.70
18	Pick-up trucks, vans, and SUV's (See Rules 20, 25, 35, 50, 55, 60, 65 and 70 herein and Rule 20 of Freight Tariff)	n/a	54.30
19	Trucks* (See note)	n/a	5.10/lf
20	Hazardous Trucks* (See note)	n/a	7.65/lf

Commuter Vehicle Rates:

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Trucks which have a gross weight of 50,000 pounds or more and are not tractor trailer trucks and are not carrying property for the Town of New Shoreham will be required to pay, in addition to the per linear foot truck rate, a weight premium of \$50 per one way trip due to the weight limitations imposed upon the ferry vessels.