

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**TRADITIONAL SERVICE RATES )**  
**INTERSTATE NAVIGATION COMPANY – )**  
**GENERAL RATE FILING )**

Docket 4373

**DIRECT TESTIMONY OF RICHARD LA CAPRA**

**ON BEHALF OF**

**THE TOWN OF NEW SHOREHAM**

March 22, 2013

1     **I.       INTRODUCTION**

2     **Q.       PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.**

3       A. My name is Richard La Capra. I am a consultant specializing in  
4       energy and regulated industry economics issues. My business address is  
5       5 Carmine Street, New York, New York 10014.

6     **Q.       WOULD YOU PLEASE SUMMARIZE YOUR PROFESSIONAL**  
7       **QUALIFICATIONS?**

8       A. Yes. I have been working in the areas of energy planning and  
9       regulatory pricing for over thirty years. My current resume is  
10      appended as part of my testimony as Exhibit 1.

11  
12    **Q.       HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE RHODE ISLAND**  
13      **PUBLIC UTILITIES COMMISSION?**

14    A. Yes, I have filed testimony in Docket 4111 on behalf of the Town of New  
15      Shoreham and testified during the evidentiary hearing.

16

17    **Q.       WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
18      **PROCEEDING?**

19    A. My testimony will address the general rate case filing of the Interstate  
20      Navigation Company ("Interstate" or "the Company").

21

1   **Q.     PLEASE SUMMARIZE YOUR TESTIMONY.**

2   A.     Interstate filed with the Commission a petition to increase its tariff rates  
3           and charges by \$1,302,177 or 13.19%. In the course of the filing the  
4           Town had addressed several concerns about the filing with Interstate and  
5           the Division of Public Utilities ("the Division"). During this period, the  
6           Division and the Company entered into settlement discussions which  
7           resulted in the proposed settlement document attached as Exhibit 2. The  
8           purpose of my testimony is to recommend that the Commission accept the  
9           basic terms of the proposed settlement and consider three terms not  
10          addressed by the settlement. These terms are:

11                       1) The final Order include the requirement that the Company  
12                       maintain, at a minimum, its current level of service during the non-summer  
13                       months;

14                       2) The final order allow the Company greater flexibility for  
15                       pricing the services which in the settlement grants the Company the  
16                       authority to increase non commuter and non freight rates up 10% or  
17                       decrease non commuter and non freight rates by up to 20% without filing  
18                       a rate case. The Town suggests that the Company be allowed to increase  
19                       or decrease the above rates, both by 20%.; and

20                       3) The Commission order the formation of a collaborative  
21                       consisting of the Division, the Town and the Company to review the  
22                       system of freight charges and, if needed, select and retain an outside  
23                       expert to review the options for streamlining and simplifying the

1 Company's current freight tariffs. Consistent with the Town's first  
2 recommendation, any changes to the set of freight tariffs should be  
3 revenue neutral.  
4

5 **Q. HAS THE TOWN AUTHORIZED APPROVAL OF THE SETTLEMENT**  
6 **AND EACH OF THESE ADDITIONS TO THE SETTLEMENT**  
7 **AGREEMENT?**

8 A. Yes, by order of the New Shoreham Town Council on March 4, 2013, and  
9 further order on March 20, 2013, it approved accepting the Division-  
10 Company Settlement with the additional terms noted.  
11

12 **II. DISCUSSION OF THE TOWN'S RECOMMENDATIONS NOT COVERED**  
13 **IN THE PROPOSED SETTLEMENT**  
14

15 **Q. WHAT IS THE BASIS OF THE TOWN'S RECOMMENDATION THAT**  
16 **THE PROPOSED SETTLEMENT AGREEMENT BE APPROVED?**

17 A. The Town's interest is in having a financially viable Company for ferry  
18 service. The traditional ferry is essentially the lifeline of the island. The  
19 Town has reviewed the financial and commercial terms included in the  
20 settlement agreement and believes it is fair to all sides. In short, the  
21 agreement allows the Company to continue to provide regular service,  
22 earn a healthy return on equity and expand its fast ferry operations.  
23

1     **Q.     IS THE TOWN PROPOSING ANY CHANGES TO THE PROPOSED**  
2     **SETTLEMENT AGREEMENT AS FILED?**

3     A.     No, the Town is in agreement with all the financial and commercial terms  
4           of the agreement as filed. The Town is proposing three additional items  
5           that do not conflict with the proposed agreement, namely that the final  
6           order include the requirement that the Company maintain, at a minimum,  
7           its non-summer month level of service; that the Company be allowed  
8           further flexibility in its non-commuter/freight pricing; and lastly, that the  
9           Commission authorize a collaborative review of the Company's system  
10          of freight charges.

11

12    **Q.     HAS THE COMPANY SUGGESTED THAT IT INTENDS TO ALTER ITS**  
13    **CURRENT NON-SUMMER SCHEDULE?**

14    A.     No, the Town is not aware of an impending change but does heavily rely  
15           on the present, relatively light, winter ferry schedule. Currently, the winter  
16           schedule has only one ferry from the island in mid-week (Tuesdays and  
17           Wednesdays), so any need to attend to a mainland appointment on those  
18           days requires an overnight stay. Any further lessening of weekday winter  
19           service would be a hardship to island residents.

20           Further, the test year and rate year levels of revenues and expenses are  
21           based on the current schedule and, as such, the projections of revenue  
22           requirement by service as incorporated into the settlement agreement  
23           would be inaccurate if the frequency of trips were changed. Certainly, the

1 Company would be free to add routes or trips which it determines to be  
2 profitable, but reducing service from the minimal winter schedule would  
3 invalidate the cost basis of the settlement and be a burden on island  
4 residents.

5 The Town proposes this addition to the order, not as a change to the  
6 agreement but rather as an administrative assurance that this was, as the  
7 Town believes, the intent of the agreement  
8

9 **Q. WHAT IS THE TOWN'S POSITION ON THE POST RATE YEAR**  
10 **PERIOD PRICING FLEXIBILITY AS PRESENTED IN THE PROPOSED**  
11 **SETTLEMENT?**

12 A. The Town agrees with the Company having pricing flexibility and has  
13 made that known in conversations with the Company, through  
14 Council, and with the Division. Further, the Town would recommend  
15 allowing a  $\pm$  20% bandwidth within which it can lower or raise its non-  
16 commuter, non-freight rates. Currently, the settlement allows for an ability  
17 to increase rates up to 10% on certain tariffs after the rate year. The  
18 Town recommends that the Company be allowed to increase tariffs other  
19 than commuter, freight and truck rates an additional 10%, beginning May  
20 24th, in any year after it has elected to apply the first 10% increase.  
21  
22

1   **Q.    IS THE TOWN PROPOSING TO ALLOW THE COMPANY AN**  
2       **ADDITIONAL 10% OVER THE CEILING FOR ALL THE RATES SHOWN**  
3       **IN EXHIBIT #3 OF THE PROPOSED SETTLEMENT?**

4    A.   No. The Town is proposing allowing the Company to increase its rates  
5       that do not affect every day life on the island. This would, therefore,  
6       exclude tariffs applied to commuters and freight. The Company would  
7       have the ability to increase other rates by up to 10% after the first 10%  
8       increase has been in place for at least one year. The important  
9       distinction the Town wants to highlight is that the truck rate is also a rate  
10      which applies to freight. In fact, most of the freight to the island is taken  
11      over by truck. Since the Town is accepting the settlement, it is, by  
12      extension, agreeing to allow the Company to increase its trucks rates  
13      by 10% without a rate case after the rate year. The settlement, however,  
14      seems to recognize the unique impact on the island from increased  
15      freight charges by exempting them from the 10% increase in the ceiling  
16      rate, but applies that exemption only to the loose freight. The loose freight  
17      tariff(s) actually apply only to a minority percentage of goods being  
18      brought to the island. Most goods are brought to the island by truck and  
19      as such, the truck rates have a more significant effect on island prices  
20      than the loose freight. Consequently, the Town's proposal to allow an  
21      additional 10% increase does not include commuter or freight rates (as  
22      with the settlement) but recognizes that the truck rate is essentially the  
23      primary cost of moving freight and thus excluded from the increase.

1

2 **Q. DOES THE TOWN BELIEVE THAT THE COMPANY CAN INCREASE**  
3 **REVENUES, WITHOUT DEPRESSING DEMAND, THROUGH PRICING**  
4 **FLEXIBILITY AND WITHOUT FURTHER INCREASING COMMUTER,**  
5 **FREIGHT OR TRUCK RATES?**

6 A. Yes, the Town believes that Company may have revenue enhancing  
7 opportunities which will not affect its volume of traffic. This would become  
8 clearer, if after it applies the first 10% increase, it experiences no  
9 adverse sales effects.

10 For example, the substantially reduced non-commuter automobile rate  
11 was based on the Company's belief that its pricing caused a contraction  
12 of demand. If results from 2013 and/or 2014 show that the reduced traffic  
13 of 2012 was an anomaly<sup>1</sup>, then there could be further increases to this  
14 rate, up to more traditional levels, without concern for losing customers.

15 Note than the Company's proposed non-commuter car rate is almost  
16 30% below its current level (=\$49.80/\$38.95).

17 Also , the Company has maintained an average pricing system for  
18 passengers and automobiles despite the fact that there are clearly times  
19 of shortage and times of significant excess in ferry capacity. Most pricing  
20 systems, certainly those in regulated industries, recognize peak and off-  
21 peak pricing regimes. It is reasonable to expect that summer schedule

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<sup>1</sup> There are several alternative explanations for the 2012 decreases other than auto ferry pricing, such as the June 2012 auto traffic reductions due to a much smaller Block Island Race Week, a somewhat problematic and unclear reservation system, and an atypically smaller number of later summer-early fall weddings.



1 demand, particularly for automobiles, are a function of rental schedules  
2 and day of the week rather than simply price elasticity. Thus, as another  
3 element to stabilize most prices for a longer term without threatening the  
4 Company's earnings, the Town strongly encourages allowing the  
5 Company greater pricing flexibility.

6

7 **Q. WHAT IS THE TOWN'S POSITION ON THE INCREASE IN THE**  
8 **FREIGHT CHARGES AS PUT FORTH IN THE PROPOSED**  
9 **SETTLEMENT?**

10 A. Price increases are, of course, not very welcome, but the Town  
11 understands that it has been some time since there has been an  
12 increase in freight charges. As a result of the Town's review of the  
13 Company's original filing as modified by discussions between the Division  
14 and Company, the Town will reluctantly accept the proposed 34%  
15 increase. This is a very difficult issue for the Town since, as noted, the  
16 cost of moving goods to the island by both loose freight and truck uniquely  
17 affects the town's residents and businesses, essentially raising the cost of  
18 virtually everything.

19 As a consequence of the Town's unique situation with respect to freight  
20 costs, it would strongly recommend that the Commission allow a review of  
21 ways to overhaul the handling and pricing of freight to/from the island  
22 without delaying the current case. At present there are roughly some  
23 400 rates and categories of freight. Island residents have, almost

1 without exception, described the system as confusing and often arbitrary.  
2 Further, it seems burdensome for the Company to administer.

3  
4 The system of freight categories and rates has apparently evolved in  
5 response to the growing and varied types of freight. As the types and  
6 number grew, recording and pricing by specific item has resulted in these  
7 hundreds of rates with confusing distinctions, such as the four individual  
8 rates for batteries; - Car (#04-00) at \$0.71; Marine (#04-02) at \$3.56; Used  
9 Marine (#04-03) at \$1.78 and "Batteries Electric" (#04-01) at \$1.78; or  
10 "Push Lawnmower" (#390-02) at \$5.37; "Walk Behind Lawnmower" (#390-  
11 07) at \$10.70; and "Riding Lawnmower" (#390-04) at \$10.70. Similarly,  
12 there are rates for five different types of brick, a half cord and a full cord  
13 of wood, and dozens of different rates for beverages, auto parts and  
14 tools.

15 The Company has recognized the difficulty with this proliferation of freight  
16 categories and rates and began an attempt to eliminate, alter, combine  
17 and clear up inconsistencies<sup>2</sup>. The allocation of time and resources  
18 needed to perform a broad study to modernize the Company's freight  
19 categories and tariffs as part of a major rate case, understandably, took a  
20 backseat the overall revenue requirements and cost allocation studies.

21  
22 The Town has thus reluctantly accepted the increase in freight charges as  
23 proposed in the settlement, so its recommendation for a review is focused

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<sup>2</sup> See Testimony of Walter Edge p.33 ll 15-23

1 on prospectively streamlining and simplifying the current rate structure, not  
2 reducing the total revenues from freight; - i.e., any changes to the current  
3 system would be revenue neutral<sup>3</sup>. The best approach to assessing  
4 how to improve the current system is the commonly used collaborative  
5 evaluation. Specifically, the Town requests that the Commission  
6 authorize the formation of a collaborative comprised of the Company,  
7 Division and Town which will first address the issues and concerns of  
8 freight handling and pricing and then budget and bid for the services of a  
9 mutually agreed upon expert in the field of marine shipping to assess and  
10 recommend ways to meet the collaborative objectives. Through this  
11 collaborative process, all parties can be reasonably assured that the  
12 freight system is providing the Town with adequate, modern and clearly  
13 priced service within the revenue requirement approved in this filing.

14  
15 Although this service represents only about 8% of the Company's  
16 revenues, it is, like truck deliveries, a service which virtually all island  
17 residents must use regularly and both the Town and Company should be  
18 able to assure island residents that it has been given appropriate  
19 attention.

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<sup>3</sup> This, of course does not preclude any additional freight business that may result from a modernized system of handling and categorizing freight.

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**III. CONCLUSIONS**

**Q. PLEASE SUMMARIZE YOUR CONCLUSIONS.**

- A. The Town recommends the Commission adopt the following actions;
- 1) Approve in full the Settlement Proposal filed by the Division on March 12, 2013;
  - 2) Require Interstate Navigation to put its new rates and charges into effect based on maintaining, at least, the current non-summer ferry schedule;
  - 3) Allow Interstate Navigation to raise rates, excluding commuter, freight, and truck rates by another 10%, one or more years after the first 10% increase, as provided for in the settlement, without filing a new rate case; and
  - 4) Order the formation of a collaborative consisting of Interstate, the Division and the Town to investigate ways to simplify and streamline its series of freight service categories and charges.

**Q. DOES THIS COMPLETE YOUR TESTIMONY?**

- A. Yes it does.

Richard La Capra is consulting analyst in a wide range of regulated industry issues. Mr. La Capra founded La Capra Associates in 1980 with a goal of providing state-of-the art, innovative technical analysis to regulated industries

He has over thirty years of experience in consulting to the electric industry in various capacities. His experience encompasses financial, power supply, competitive bidding, contract and pricing issues. Mr. La Capra has negotiated comprehensive restructuring settlements and provided expert reports on the pricing, valuation, feasibility and siting of power plants. He has been involved in major bidding and procurement activities in both energy and transportation. His primary interest has been in the energy-related industries, but he has also presented expert testimony on telecommunications, water resources, and the taxicab industry. Mr. La Capra is a well sought-after lecturer for many industry conferences, and is the author of several articles that have been published in professional journals.

### ***ACCOMPLISHMENTS***

Mr. La Capra has provided expert testimony in 26 states and federal jurisdictions in the areas of transitioning to competitive markets, power supply requirements, competitive bidding, power supply requirements, and financial feasibility.

Some of his major assignments have included:

Assisting the financial reorganization of cooperative utilities, including reconfiguring their power supply assets and contracts, and restructuring \$100 million in debt;

Managing several asset bids for the potential purchaser or seller;

Designing and managing the auction process for distributing taxi medallions in the City of Boston;

Designing and managing the auction process for the sale of a small electric utility;

Designing and managing the auction process for the sale of the power supply infrastructure of a major university.

Negotiating transmission contracts, wheeling rates, and distribution leases for a number of utilities and independent power producers.

Providing advice to numerous State jurisdictions on the developmental rules and codes of conduct for emerging wholesale markets;

Providing advisory services to public and private utilities in the areas of pricing, power supply procurement strategies, negotiation of inter-utility contracts, and market hedging strategies;

Mr. La Capra has also served as Principal Consultant to the Electric Power Research Institute in the areas of electric utility pricing and customer research;

Managed developmental load research programs in six mid-western and eastern states;

Devised and presented professional development programs for the Electric Council of New England, the Center for Professional Advancement, the New England Rate Forum, the Electric Power Research Institute, the American Gas Association, the University of Michigan and the University of Missouri;

.  
Directed feasibility studies assessing privatization potential for publicly owned energy facilities; and

Serves as Senior Economic Advisor to the City of Boston in the development of hackney carriage service standards and pricing, and the establishment of a market-based number of hackney medallions.

## ***EMPLOYMENT***

Charles T. Main, Inc.  
Group Manager - Rates, Financial Services and  
Utility Management Consulting Groups

American Electric Power Service Corporation  
Rate and Load Research Supervisor

Pennsylvania-New Jersey-Maryland Power Pool  
Planning Engineer

## **EDUCATION**

Certificate in Advanced Finance, New York University

M.B.A., Fairleigh Dickinson University  
Economics

B.S., Stevens Institute of Technology  
Electrical and Mechanical Engineering

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
RHODE ISLAND PUBLIC UTILITIES COMMISSION**

**IN RE: INTERSTATE NAVIGATION COMPANY – )  
GENERAL RATE FILING – )  
TRADITIONAL SERVICE RATES )**

**DOCKET NO. 4373**

**SETTLEMENT AGREEMENT**

**I. INTRODUCTION**

**A. Summary**

The Interstate Navigation Company (“Interstate” or the “Company”) enters into this settlement agreement (the “Settlement Agreement” or “Settlement”) with the Division of Public Utilities and Carriers (the “Division”) (together, the “Settling Parties”), to resolve all issues arising in this docket, R.I.P.U.C. Docket No. 4373.

The Settling Parties are seeking approval of the Settlement Agreement by the Commission by May 23, 2013, so that the rates established in this Agreement may become effective no later than of May 24, 2013. Elements of the Settlement include, among other provisions, an increase in rates for traditional ferry service to produce \$579,388 in additional annual base rate revenues effective May 24, 2013, limited pricing flexibility on certain non-commuter rates, an earnings cap provision, an increase to the fuel price recovered through base rates from the current level of \$2.00 per gallon to a proposed level of \$3.25 per gallon (including taxes).

## **B. Procedural History**

On November 27, 2012, the Company filed a request for a traditional ferry service rate increase totaling \$1,302,177. During the period December 1, 2012 through February 20, 2013, the Company responded to numerous data requests issued by the Division and the Commission. During this time period, the Company also engaged the Division in discussions to determine the extent to which matters affecting the determination of the Company's rates could be resolved.

## **C. Parties' Statement**

This Settlement Agreement is based on extensive discovery and negotiations among the Settling Parties concerning all issues involved in establishing new base rates for traditional ferry service to become effective May 24, 2013. After due consideration of the testimony, exhibits and other documentation included in the filings by Interstate, and of the issues raised by the Division and the Town, the Settling Parties now have agreed to a comprehensive settlement in the rate case which resolves all issues relating to the Company's traditional service revenue requirement, rate base, rate of return, rate design, and service related issues. The Settling Parties agree that the Settlement Agreement is just and reasonable, and represents a fair and equitable overall resolution of all of their concerns.

The Settlement Agreement is as set out below.

## **II. RATE INCREASE AND RATE DESIGN**

For traditional ferry service on and after May 24, 2013, Interstate Navigation Company shall implement a rate increase from the rates currently in effect, designed to produce \$579,388 of additional base rate revenues per year, calculated as shown on Exhibit 1, measured using a test year consisting of the twelve months ended May 31, 2012 and a rate year consisting of the twelve months ending May 31, 2014. The tariffs included in Exhibit 2 shall be approved and



implemented effective May 24, 2013. Interstate will concurrently adjust its fuel surcharge level to reflect a base price for fuel of \$3.25 per gallon (including taxes), effective May 24, 2013, and will implement the fuel surcharges prospectively pursuant to the procedures specified in Section IV.B, below.

Commuter rate discounts will continue to be available to those customers who meet the eligibility criteria that currently exist. The specific details for commuter rate eligibility are provided in the Company's tariff.

### **III. RATE PLAN**

#### **A. Rate Year**

Rates for traditional ferry service will be increased effective May 24, 2013 and be in effect at least through May 23, 2014 (the Rate Year Period). Interstate's rates reflected in Exhibit 2 shall be frozen for the Rate Year Period, subject only to statutory fuel surcharges if the price of fuel oil, including taxes, exceeds \$3.25 per gallon, subject to the procedures set out in subsection IV.B below.

#### **B. Post Rate Year Period Pricing Flexibility**

Interstate shall be authorized to apply to the Commission from time to time to change rates subsequent to the Rate Year Period, subject to the limits in Exhibit 3, and, with Commission approval, to implement such changes on thirty (30) days' notice. The Division, except in extraordinary circumstances, will not object to any such changes, will not recommend any suspension by the Commission beyond the thirty (30) days' notice, and will not request compliance with any traditional rate filing requirements other than the thirty (30) day notice. Pursuant to this authorization, Interstate has the pricing flexibility to increase certain rates after the Rate Year Period to a level not more than 10% higher than the rates established for the Rate

Year Period or to decrease certain rates after the Rate Year Period to a level not more than 20% lower than the rates established for the Rate Year Period; provided, however, that applications for rate increases will be allowed to take effect only on May 24 of a given year. Notwithstanding the foregoing, rates applicable to commuters, commuter vehicles, and freight shall not be increased for any rate increases authorized pursuant to this paragraph.

**C. Traditional Cost of Service Ratemaking after the Rate Year**

The Company is permitted to file a cost of service ("COS") rate case to change rates effective May 24, 2014 or later, if the Company believes it has or will have a prospective revenue deficiency and such revenue deficiency cannot be resolved by the procedures authorized in Section III.B, above. The Division has the right to file a complaint with the Commission requesting that the Commission require a COS review to reduce rates if the Division believes that the Company has, or will have, a revenue excess.

**D. Regulatory Provisions and Earnings Cap**

**1. Earnings Reports**

a. The Company will be required to file annual earnings reports with the Commission by November 15 of each year, for the fiscal year ending May 31<sup>st</sup> in that year, commencing November 15, 2014. Copies also will be filed with the Division. This annual earnings report will calculate the earned ROE from the Company's financial statements on the basis of Generally Accepted Accounting Principles (GAAP).

b. For purposes of calculating return and income taxes for the annual earnings reports, Interstate shall use the capital structure and associated costs of capital approved by the Commission in this Docket No. 4373. For purposes of these earnings reports, the allowed return on equity shall be 11.0%, and results will be adjusted to reflect established Commission

ratemaking principles. However, there will be no adjustments to actual results to recognize or annualize prospective known and measurable changes. The return on common equity will be calculated by dividing the net income available for common equity by the common equity applicable to rate base. The common equity applicable to rate base shall be calculated by multiplying the common equity ratio required by this subsection by Interstate's average rate base. Any annual earnings as calculated in the Earnings Report over 100 basis points (1.00%) above the authorized return on equity of 11.0% will be shared with customers through the procedure described in subsection 2 below.

## **2. Earnings Above 12.0%**

Earnings in excess of 12% will be shared 50% for the stockholders and 50% for the ratepayers. Prior to proposing a method of crediting earnings above the 12.00% threshold applicable to the ratepayers, Interstate will consult with the Division to propose a mutually acceptable method. The agreed upon method will then be filed with the Commission for review and approval. If the parties cannot reach agreement, Interstate shall file its proposal directly with the Commission subsequent to consulting with the Division and the Commission will make the ultimate determination.

## **E. Fast Ferry Rates and Terms and Conditions**

Interstate shall be authorized to apply to the Commission from time to time to change Fast Ferry Rates and Terms and Conditions and, with Commission approval, to implement such changes on thirty (30) days' notice. The Division, except in extraordinary circumstances, will not object to any such changes, will not recommend any suspension by the Commission beyond the thirty (30) days' notice, and will not request compliance with any traditional rate filing

requirements other than the thirty (30) day notice. The previously agreed methodology for the calculation of Fast Ferry fuel surcharges will not change.

Interstate intends to implement fast ferry service between Newport and Block Island on the MV Islander in calendar year 2013. The initial rates for this service will be the rates on Exhibit 2. Interstate shall be authorized to apply to the Commission from time to time to change the rates for this service and to implement such changes in rates on thirty (30) days' notice. However, the cumulative effect of any such changes shall not be more than \$5.00 for a one way trip or \$10.00 for a round trip. The Division, except in extraordinary circumstances, will not object to any such changes, will not recommend any suspension by the Commission beyond the thirty (30) days' notice, and will not request compliance with any traditional rate filing requirements other than the thirty (30) day notice.

#### **IV. SPECIFIED ACCOUNTING REQUIREMENTS**

##### **A. Fast Ferry**

All earnings reports required by Section III, above, will include pre-tax profits earned by Interstate's Fast Ferry Athena. The actual pre-tax profit earned by the Fast Ferry Division will be calculated employing the debt service method, as shown on the "Analysis of Revenues and Expenses – Interstate Fast Ferry" in the 2012 Annual Report of Water Carriers filed with the Commission. The debt service will include annual interest and principal repayments on all debt used by Interstate to acquire the operations of Island Hi-Speed Ferry in 2006.

The revenues, expenses, and investment for the fast ferry service between Newport and Block Island using the MV Islander will be included in the traditional service earnings reports required by Section III. D. 1, above.

**B. Fuel**

**1. Base Price**

The base price of fuel oil ("Base Price") included in the determination of the Company's revenue requirement for traditional ferry service in this Docket No. 4373 is \$3.25 per gallon, which includes all applicable taxes.

**2. Fuel Price Less than Base Price**

In any month in which the average price of fuel purchased for traditional ferry services, including all applicable taxes, is less than the Base Price, Interstate will accrue a reserve equal to the volume of fuel purchased in that month times the difference between the actual average price and the Base Price. The reserve balance will be maintained in a separate account on the Interstate balance sheet, or in a readily identifiable sub-account.

**3. Fuel Price in Excess of Base Price**

In any month in which the average price of fuel purchased for traditional ferry service, including all applicable taxes, is in excess of the Base Price, for the purpose of calculating the Fuel Factor component of its rates for the following month, the "Fuel Floor" used in the calculation of the fuel cost eligible for recovery ("Fuel Recovery") will be equal to the Base Price. The eligible Fuel Recovery will be charged against the credit balance, if any, existing in the reserve account established pursuant to subsection 2, above. Any eligible Fuel Recovery in excess of the credit balance in the reserve account will be used to calculate the Fuel Factor (surcharge) component of Interstate's traditional ferry service rates for the following month.

**4. Disposition of Balance in Reserve Account**

If a credit balance exists in the reserve account of over \$150,000 for any rolling 3 month period pursuant to subsection 2, above, Interstate will consult with the Division to propose

a mutually acceptable method of crediting customers for that balance. The agreed upon method will then be filed with the Commission for review and approval. If the parties cannot reach agreement Interstate shall file its proposal with the Commission and the Commission will make the ultimate determination.

**C. Homeland Security**

**1. Reserve Account**

The balance in the Homeland Security reserve account as of May 31, 2012, was \$(14,786). Interstate will continue the reserve method of accounting for Homeland Security expenditures as established in Docket No. 3573, subject to the modifications in subsection 2, below.

**2. Annual Expense**

The annual Homeland Security expense to be recorded by Interstate during the term of the Rate Plan will be \$315,000. Any capital expenditures in excess of \$50,000 will be charged to the appropriate plant account or accounts and not against the accrued reserve for Homeland Security.

**D. Other**

**1. Rate Case Expense**

For the purpose of all earnings reports required by Section III, above, Interstate will amortize the actual cost of this rate case over three years. The amortization will be complete on May 31, 2016, and no amortization will be recognized as an expense subsequent to that date. Interstate will provide the Commission and the Division with a statement of the actual costs of this case at its conclusion.

## **2. Depreciation Accrual Rates**

Interstate will continue to use the depreciation accrual rates in effect during the twelve months ended May 31, 2012.

## **3. Sale of MV Nelseco**

Interstate anticipates that the sale of the MV Nelseco will be completed in 2013. The net proceeds from the sale of the MV Nelseco will be amortized on the Company's books of account over five years. The amortization will be included in earnings reports required by Section III, above, and the unamortized balance of the proceeds will be deducted from the Company's rate base in said earnings reports. When the sale of the MV Nelseco is closed, Interstate will provide the Commission and the Division with a statement of the actual gross proceeds and associated expenses.

## **4. Pension Funding**

Interstate's cost of service includes \$70,000 of annual pension expense. This amount will be funded and contributed to the external pension fund within thirty days after the end of the fiscal year. This funding commitment is ongoing and will continue from year to year unless directed otherwise by the Commission. Interstate will provide the Commission and the Division with documentation of its funding of the pension plan consistent with the terms of this paragraph.

## **V. EFFECT OF SETTLEMENT AGREEMENT**

This Settlement Agreement is the result of negotiations among the Settling Parties. The discussions that have produced this Agreement have been conducted on the explicit understanding that all offers of settlement and discussions relating hereto are and shall be privileged, shall be without prejudice to the position of any party or participant presenting such offer or participating in any such discussion, and are not to be used in any manner in connection

with these or other proceedings involving any one or more of the parties to this Settlement or otherwise. The agreement by a party to the terms of this Settlement Agreement shall not be construed as an agreement as to any matter of fact or law for any other purpose. In the event that the Commission (i) rejects this Agreement, (ii) fails to accept this Agreement as filed, or (iii) accepts this Agreement subject to conditions unacceptable to any party hereto, then this Agreement shall be deemed withdrawn and shall be null and void in all respects. The Parties recognize that the Commission has an ongoing obligation to protect the public against improper and unreasonable rates that cannot be precluded by a settlement agreement.

IN WITNESS WHEREOF, the parties agree that this Settlement Agreement is reasonable and have caused this document to be executed by their respective representatives, each being fully authorized to do so.

Dated at Providence this 11<sup>th</sup> day of March 2013.

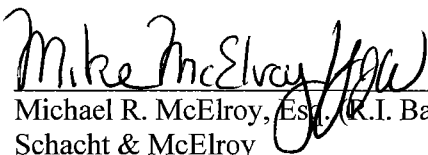
Respectfully submitted,

**INTERSTATE NAVIGATION COMPANY**

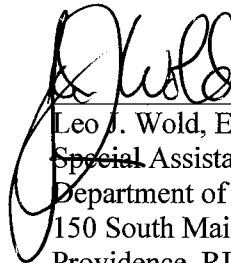
**RHODE ISLAND DIVISION OF PUBLIC  
UTILITIES AND CARRIERS**

By its Attorney,

By its Attorney,



Michael R. McElroy, Esq. (R.I. Bar No. 2627)  
Schacht & McElroy  
21 Dryden Lane  
P.O. Box 6721  
Providence, RI 02940-6721



Leo J. Wold, Esq. (R.I. Bar No. 3613)  
Special Assistant Attorney General  
Department of Attorney General  
150 South Main Street  
Providence, RI 02903



# EXHIBIT #1

## Schedule SETT-1

INTERSTATE NAVIGATION COMPANY  
RATE YEAR REVENUE REQUIREMENT

	<u>Company Position</u>	<u>Adjustments</u>	<u>Settlement Position</u>
Cost of Service	11,172,911	(269,160)	10,903,752
Miscellaneous Revenues	<u>842,452</u>	<u>453,629</u>	<u>1,296,081</u>
Net Revenue Requirement	10,330,460	(722,789)	9,607,671
Tariff Revenues, Present Rates	<u>9,028,283</u>	<u>-</u>	<u>9,028,283</u>
Revenue Deficiency	<u>1,302,177</u>	<u>(722,789)</u>	<u>579,388</u>

## Schedule SETT-2

INTERSTATE NAVIGATION COMPANY  
COST OF SERVICE

	<u>Company Position</u>	<u>Adjustments</u>		<u>Settlement Position</u>
Cash Operating Expenses	9,533,427	(149,416)	SETT-3	9,384,011
Depreciation	1,111,845	(46,776)	SETT-3.1	1,065,069
Income Taxes	86,077	6,861	SETT-4	92,938
Return on Rate Base	<u>441,562</u>	<u>(79,829)</u>	SETT-5	<u>361,734</u>
Total Cost of Service	<u>11,172,911</u>	<u>(269,160)</u>		<u>10,903,752</u>

## Schedule SETT-3

INTERSTATE NAVIGATION COMPANY  
ADJUSTMENTS TO CASH OPERATING EXPENSES

Payroll	(48,534)
Payroll Taxes	(21,389)
Employee Insurance	(34,209)
Pension	(20,158)
Fuel Expense - Newport Fast Ferry	(86,347)
Fuel Expense - Nelseco	(69,743)
Fuel Expense - Storage and Maintenance	50,616
Fuel Expense - Adjust Base to \$3.25	<u>99,023</u>
Total Adjustments Excluding Gross Receipts Tax	(130,741)
Gross Receipts Tax Effect, Including Corrections	<u>(18,675)</u>
Total Adjustment to Cash Operating Expenses	<u><u>(149,416)</u></u>

Schedule SETT-3.1

INTERSTATE NAVIGATION COMPANY  
ADJUSTMENT TO DEPRECIATION EXPENSE

Stipulated Adjustment

(46,776)

## Schedule SETT-4

INTERSTATE NAVIGATION COMPANY  
INCOME TAX EXPENSE

Rate Base	SETT-5	\$ 6,544,136
Weighted Return on Equity	SETT-6	<u>2.88%</u>
Taxable Income Base		188,314
Taxable Income		281,253
Income Tax Rate		<u>39%</u>
Income Tax Expense at Rate in Bracket		109,688
Lower Tax Bracket Credit		<u>16,750</u>
Net Income Tax Expense		<u>92,938</u>

Marginal Tax Rate	39%
Bottom of Bracket	100,000
Tax at Full Rate	39,000
Actual Tax at Bracket Bottom	<u>22,250</u>
Lower Tax Bracket Credit	<u>16,750</u>

## Schedule SETT-5

INTERSTATE NAVIGATION COMPANY  
RETURN ON RATE BASE

	<u>Company Position</u>	<u>Adjustments</u>	<u>Settlement Position</u>
Rate Year Average Net Utility Plant	\$ 6,940,458		\$ 6,940,458
Accumulated Deferred Income Taxes	<u>-</u>	<u>(396,322)</u>	<u>(396,322)</u>
Net Rate Base	6,940,458	(396,322)	6,544,136
Rate of Return	<u>6.36%</u>	<u>-0.83%</u>	<u>5.53%</u>
Return on Rate Base	<u>\$ 441,562</u>	<u>\$ (79,829)</u>	<u>\$ 361,734</u>

## Schedule SETT-6

INTERSTATE NAVIGATION COMPANY  
RATE OF RETURN**Company Position**

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	<u>After Tax</u>
Long Term Debt	68.99%	3.60%	2.49%	2.49%
Common Equity	<u>31.01%</u>	12.50%	<u>3.88%</u>	<u>6.35%</u>
Total Capital	<u>100.00%</u>		<u>6.36%</u>	<u>8.84%</u>

**Company Revised Position**

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	<u>After Tax</u>
Long Term Debt	73.85%	3.59%	2.65%	2.65%
Common Equity	<u>26.16%</u>	12.50%	<u>3.27%</u>	<u>5.36%</u>
Total Capital	<u>100.01%</u>		<u>5.92%</u>	<u>8.01%</u>

**Settlement Position**

	<u>Percent of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>	<u>After Tax</u>
Long Term Debt	73.85%	3.59%	2.65%	2.65%
Common Equity	<u>26.16%</u>	11.00%	<u>2.88%</u>	<u>4.72%</u>
Total Capital	<u>100.01%</u>		<u>5.53%</u>	<u>7.37%</u>



Schedule SETT-7

INTERSTATE NAVIGATION COMPANY  
MISCELLANEOUS REVENUES

Settlement Fast Ferry Margin	481,986
Fast Ferry Margin Reflected by Company	<u>208,357</u>
Adjustment to Fast Ferry Margin	273,629
Amortize Gain on Sale of Nelsco	<u>180,000</u>
Total Adjustment to Miscellaneous Revenue	<u>453,629</u>

**Proof of Revenues**  
**Interstate Navigation Company**

Schedule SETT - 8

	Current Rate	Settlement Rate	Current Revenue	Settlement Revenue	Dollar Increase
<b><i>Passenger</i></b>					
Adult One Way	\$ 11.25	\$ 12.35	\$ 1,485,990	\$ 1,631,287	\$ 145,297
Adult Round Trip	\$ 18.30	\$ 22.60	\$ 2,697,457	\$ 3,331,285	\$ 633,829
Child One Way	\$ 5.70	\$ 6.25	\$ 75,856	\$ 83,175	\$ 7,319
Child Round Trip	\$ 9.10	\$ 11.30	\$ 128,146	\$ 159,127	\$ 30,980
Commuter One Way	\$ -	\$ -	\$ -	\$ -	\$ -
Commuter Round Trip	\$ 10.50	\$ 16.00	\$ 215,544	\$ 328,448	\$ 112,904
			<u>\$ 4,602,992</u>	<u>\$ 5,533,322</u>	<u>\$ 930,329</u>
<b><i>Vehicles</i></b>					
Cars	\$ 49.80	\$ 38.95	\$ 1,753,408	\$ 1,187,819	\$ (565,589)
Pick-ups & SUVs	\$ 60.10	\$ 47.90	\$ 520,947	\$ 342,629	\$ (178,318)
Commuter Cars	\$ 27.00	\$ 32.70	\$ 105,327	\$ 125,666	\$ 20,339
Commuter Pick-ups & SUVs	\$ 32.75	\$ 39.45	\$ 35,337	\$ 40,673	\$ 5,336
Trucks & Oversize Trucks	See Individual Tariff for Rates		<u>\$ 1,075,979</u>	<u>\$ 1,172,136</u>	<u>\$ 96,157</u>
			<u>\$ 3,490,998</u>	<u>\$ 2,868,923</u>	<u>\$ (622,075)</u>
<b><i>Freight</i></b>					
-Freight	See Individual Tariff for Rates		<u>\$ 792,113</u>	<u>\$ 1,065,074</u>	<u>\$ 272,961</u>
<b><i>Bikes, Mopeds, Etc.</i></b>					
-Bikes, Mopeds, etc.	See Individual Tariff for Rates		<u>\$ 142,179</u>	<u>\$ 142,179</u>	<u>\$ 0</u>
Total Rates and Charges			\$ 9,028,283	\$ 9,609,497	\$ 581,215
Revenue Required (Settlement-1)				9,607,671	
Variance				\$ 1,826	0.02%

# EXHIBIT #2

STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. 4373

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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)

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EFFECTIVE: May 24, 2013

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           RETURN TICKET:**

The carrier will not be responsible to persons holding return 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 \$4.50 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 \$4.50 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 \$6.10 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 \$6.10 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 \$11.70 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 \$8.45 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 \$22.80 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 \$40.90.

**RULE NO. 80      ONLINE SALES CHARGE:**

For all online internet and telephone call center passenger transactions, there is a \$2.40 convenience fee per transaction, to cover postage/handling charges.

**RULE NO. 85      LOST TICKET CHARGE:**

There is a \$15.20 charge for all lost tickets which are replaced (each way).

**RULE NO. 90      DISCOUNTS:**

Carrier may from time to time apply a 15% promotional group discount rate to groups of 25 or more. Carrier may from time to time apply up to a 25% discount on Monday through Thursday, inclusive, during the months of May through September, inclusive. Carrier may also from time to time offer non-rate incentive promotions.

**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      ISLANDER DISCOUNT COMMUTER RATE ELIGIBILITY:**

Only those who certify under oath that they are full time residents of Block Island, residing for at least nine (9) months per calendar year at a physical Block Island address (not a post office box) are eligible for the islander discount commuter rate, provided that: (1) they also hold a current Rhode Island Registry of Motor Vehicles drivers' license that has a Block Island address as the sole address on the license and present the license for inspection and copying (or are too young to obtain a drivers' license, but attend the Block Island school and present a current Block Island school photo I.D. for inspection and copying), and (2) they also are duly registered and valid Block Island voters, as shown on the Block Island voters registration list (or are too young to register to vote and present a current Block Island school photo I.D.) If the discounted Islander commuter rate is sought for a standard size car, SUV, van, or pickup (oversized vehicles as defined in Rule 35 and regular trucks are not eligible for the discounted islander rate) the vehicle (1) must be driven by a driver with solely a Block Island address on his or her drivers' license, and (2) must have solely a Block Island address on its registration and the registration for each vehicle must be produced for inspection and copying

1. The PUC has ruled that those who are authorized to receive the discounted islander commuter rates "are islanders who commute to the mainland."
2. Block Island ordinances state in pertinent part:
  - [A] resident is defined as one who resides full time in the Town of New Shoreham.
  - Full time Block Island residency status is not affected by absence due to enrollment at an educational institution or fulfilling a military obligation providing that the resident is also a registered Block Island voter.



- Full time Block Island residency status is not affected by absence, whatever the reason, of up to three (3) months in any calendar year providing that the resident is also a registered Block Island voter.
3. The Block Island Ferry Islander card must be renewed annually, and you must appear in person to obtain or renew your card.
  4. Discounted islander commuter tickets will only be sold on Block Island on a round trip basis. Passenger tickets will be good for 7 days; vehicle tickets will be good for 30 days.
  5. If you do not obtain a Block Island Ferry Islander card because you are not a full time Block Island resident, you can still purchase discounted (frequent user) tickets (10 for the price of 9).
  6. Block Island Ferry also has reduced rates in effect for all children under 12 and seniors 65 and over, whether or not you are a full time Block Island resident.
  7. If your application for an Islander Card is denied, you may appeal the denial in writing to Joshua Linda, Vice President, Interstate Navigation Co., P.O. Box 482, New London, CT 06320. Please state why you feel you are a full time Block Island resident (at least 9 months per year). Please include with your written appeal any evidence of your Block Island residency that you wish Mr. Linda to review.

#### **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  
Between Point Judith and Newport Apply Column C Rates

**COLUMN**

A	B	C					
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**5 ADULT PASSENGER FARES**

ONE WAY ADULT	\$25.00	\$12.35	\$25.00				
ROUND TRIP ADULT	\$50.00	\$22.60	\$50.00				

**10 CHILDREN PASSENGER  
FARES**

ONE WAY	\$13.00	\$6.25	\$13.00				
ROUND TRIP	\$26.00	\$11.30	\$26.00				

**Commuter Rate \$16.00** (See Rule 100)

**Senior Discount** (over 65 years):

\$ .50 off non-commuter one way  
\$1.00 off non-commuter round trip

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 6.

## VEHICLE RATES

### ITEM:

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

RATES IN DOLLARS AND CENTS PER UNIT (one way)

		COLUMN		
		A	B	C
15	Automobiles (See Rules 20, 25, 35, 50, 55, 60, 65 and 70 herein and Rule 20 of Freight Tariff)	n/a	38.95	n/a
16	Bicycles	6.00	3.20	6.00
16a	Bicycle wagons, whether or not attached to a bicycle	6.00	3.20	6.00
16b	Tandem Bicycles, whether or not attached to a bicycle	6.00	3.20	6.00
16c	Electric Bicycles, motorized skateboards, and mini-motorcycles	8.30	8.30	8.30
17	Motorcycles	n/a	21.80	n/a
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	47.90	n/a
19	Trucks* (See note)	n/a	6.10/lf	n/a
20	Hazardous Trucks* (See note)	n/a	9.25/lf	n/a

### Commuter Vehicle Rates:

- Standard-sized Automobiles \$32.70 (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 \$39.45 (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 \$6.10 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 \$6.10 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 \$60.35 per one way trip due to the weight limitations imposed upon the ferry vessels.

# COMMODITY RATES

STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. 4373

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INTERSTATE NAVIGATION COMPANY

LOCAL TARIFF

Naming

CLASS AND COMMODITY RATES

FOR TRADITIONAL SERVICE

APPLYING BETWEEN

POINTS AND PLACES IN THE STATE OF

RHODE ISLAND

(As Indicated Herein)

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For reference to the governing Classification and other governing publications, see Rule No. 5 herein.

EFFECTIVE: May 24, 2013

ISSUED BY:

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

## EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS

Bbl= Barrel Co= Company Col= Column Conn= Connecticut Ctn= Carton I.C.C.= Interstate Commerce Commission KD= Knocked Down Lbs= Pounds M= Thousand MT= Empty	Min= Minimum Charge No.= Number NOIBN= Not Otherwise indexed by name in classification Pkg= Package Pt= Point R.I.= Rhode Island Department of Public Utilities SU= Set Up Viz= Namely &= And
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## RULES GOVERNING ALL TARIFFS

### RULE NO. 5 GOVERNING CLASSIFICATION, RULES AND EXCEPTIONS TARIFF:

Governed, except as otherwise provided herein, by the Coordinated Freight Class- No. 11, The New England Motor Rate Bureau, Inc., Agent's MF-I.C.C. No. A-210, MF-R.I.D.P.U. No. A-84 and by the Rules, Regulations and Exceptions thereto, the New England Motor Rate Bureau, Inc., Agent's MF-I.C.C. No. A-202, MF-R.I.D.P.D. No A-82, supplements thereto or successive issued thereof.

### RULE NO. 10 APPLICATION OF RATES:

(a) Commodity rates named in this tariff are applicable only on shipments tendered to the carrier in exact accordance with the commodity description and packing requirements set forth herein.

(b) Unless otherwise provided, the rates shown herein apply only on articles received on one bill of lading at one time and place from one consignor for delivery to one consignee at one place, at one destination.

(c) The transportation obligation of the carrier under this tariff consists of the receipt of freight at its dock at the shipping point and its transportation to the dock of the carrier at destination.

**RULE NO. 15      MAXIMUM CHARGES:**

In no case shall the charge for a given shipment be greater than the charge for a shipment of the same commodity, of a greater weight, between the same points.

**RULE NO. 20      MINIMUM CHARGES:**

Except as provided in individual items herein rates named are subject to the following minimum charges per shipment.

<u>BETWEEN</u>	<u>AND</u>	<u>MINIMUM CHARGE</u>
Newport or Pt. Judith, R.I.	Block Island, R.I.	\$5.35

**RULE NO. 25      LIABILITY FOR FEEDING LIVESTOCK:**

The carrier will not be responsible for the feeding or watering, of livestock transported. It shall be the responsibility of the consignor to guarantee the carrier that a plentiful supply of feed and water shall be placed aboard vessel prior to the boarding of such shipments of livestock.

**RULE NO. 30      HOUSEHOLD GOODS, DESCRIPTION OF:**

The rates on Household Goods apply to all Household Goods, new or used, including but not limited to goods and personal effects such as furniture, clothing and residence furnishings and when shipped uncrated will only be accepted at owner's risk.

**RULE NO. 35      INTEREST:**

Interest will be charged on overdue accounts (past 30 days) at 1.5% per month, plus reasonable attorney's fees if collection efforts are needed.



**RULE NO. 40      C.O.D. SHIPMENTS, COLLECTION AND REMITTAL CHARGES:**

The following charges will apply for the collection and the remittance of C.O.D. bills collected from consignees between all points in Rhode Island:

When the amount collected is:			Charge for Collection and remittance will be:
Not over	TO	\$ 10.00	\$ 1.21
\$ 10.01	TO	20.00	1.43
20.01	TO	30.00	1.68
30.01	TO	40.00	1.92
40.01	TO	50.00	2.16
50.01	TO	75.00	2.39
75.01	TO	100.00	2.99
100.01	TO	150.00	3.82
150.01	TO	200.00	4.78
200.01	TO	300.00	6.23
300.01	TO	400.00	7.66
400.01	TO	500.00	9.10
500.01	TO	1,000.00	10.76
	OVER	1,000.00	10.76 per \$1,000

**RULE NO. 45      EMPTY CONTAINERS RETURNED, RATES APPLICABLE:**

The rates in cents per can, case, carton or other empty alcoholic or nonalcoholic beverage container including bottles in racks, or other containers not otherwise shown herein will apply as follows:

BETWEEN	Pt. Judith & B.I.
(a)	
Containers with bottles, each	.70
Containers without bottles, each	.60
Milk Cans, Each	.60
Milk Dispensers, each	.70
Beer Kegs, each	1.43

(b)  
The rates in cents per empty tank shall be returned as follows:

Soda Fountain tanks, each	1.07
Pyrofax tanks, each	1.43
Propane Gas Tanks, each	1.43

**RULE NO. 50      FREIGHT TRANSPORTED AT OWNER'S RISK:**

Shipments of livestock, pinball machines, music machines, neon or electric signs and pianos will be accepted for transportation at owner's risk.

**RULE NO. 55      TRANSPORTATION OF LIVESTOCK:**

All Livestock, except household pets accompanied by an owner or handler, dogs, cats and animals of like size in portable kennels, and fowl in crates, will be carried only in animal vans or trailers. The tariff for such transportation will be the tariff for such vans or trailers.

**RULE NO. 60      PERSONAL PALLETS:**

Personal pallets are \$10.52 if stackable and \$14.52 if un-stackable. Pallets will be deemed un-stackable if the contents exceed the height of the personal pallet box which is 3 ½' high. Un-stackable pallets will require shrink wrapping which will be provided by the carrier as part of \$14.52 un-stackable rate. Personal pallets can be used on an as available basis in the discretion of the Carrier and are solely to be used for the transportation of personal items (such as groceries and luggage). Personal pallets will be given to customers on a "first come, first served" basis, and the boats are limited to how many pallets can be taken. The number of personal pallets which can be taken will vary trip to trip in the discretion of the Carrier based on the availability of deck space and pallets.

DATE: _____	ITEM MASTER R					
CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM				
ABC ABC	ABC ITEM MASTER RECORD. THIS W EA AS The First Item Entered.					
	ITEM MASTER					
CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate	% Increase	Rates	
006 45-00						
45-01						
45-02	EMPTY MILK CASES, CANS RULE 45	EA	0.460	34.00%	0.620	
45-03						
45-04	EMPTY BEER KEGS RULE 45	EA	1.070	34.00%	1.430	
45-06	EMPTY BREAD TRAY, PLASTIC	EA	0.460	34.00%	0.620	
007 015-02	AREA WALL/PARTITION	EA	2.510	34.00%	3.360	
030-05	BAIT BARRELS, EMPTY	EA	1.250	34.00%	1.680	
035-05	BATHTUB, CAST IRON	EA	13.270	34.00%	17.780	
035-06	JACUZZI, WHIRLPOOL RULE #40 APPLIES	EA	New or Adjusted Rates	\$ 30.00	34.00%	40.200
035-07	SHOWER BASE, GRANITE, NOIBN	EA	5.820	34.00%	7.800	
040-00	BATTERIES, USED, CAR	EA	0.710	34.00%	0.950	
040-03	BATTERIES, USED INDUSTRIAL MARINE	EA	1.780	34.00%	2.390	
045-00						
045-08						
10-03	ANCHOR, MOORING, 200-499LB	EA	7.170	34.00%	9.610	
10-04	ANCHOR, MOORING, 500-799LB	EA	15.040	34.00%	20.150	
10-05	ANCHOR, MOORING, 800-999	EA	22.410	34.00%	30.030	
10-06	ANCHOR, SMALL		1.440	34.00%	1.930	
10-07	ANCHOR, MOORING, 100-199LB	EA	5.360	34.00%	7.180	
10-08	ANCHOR, MOORING, 1000 & ABOVE	EA	33.390	34.00%	44.740	
30-05						
30-06						
40-02	BATTERIES, ELECTRICAL, SOLAR INDUSTRIAL, MARINE	EA	3.560	34.00%	4.770	
45-05						
45-10	DISPENSER, WATER	EA	8.600	34.00%	11.520	
50-00	WATER, BOTTLE, >5GAL	EA	1.440	34.00%	1.930	
55-02	BICYCLE, UNCRATED	EA	New or Adjusted Rates	3.150	34.00%	4.220
600-21	SOLAR PANELS/MODULES APPROX 4XB	EA	New or Adjusted Rates	10.000	34.00%	13.400
005-01	ALUMINUM LOUVERS, VENTS	PC	0.800	34.00%	1.070	
NEW	ALUMINUM LOUVERS, VENTS - LARGE	PC	New or Adjusted Rates	1.600	34.00%	2.140
005-02	ANTI-FREEZE COMPOUNDS, NOIBN LIQUID, IN CASES	EA EA	1.440	34.00%	1.930	
005-03						
005-04	ANGLE IRON BY LINEAR FEET	FT	0.460	34.00%	0.620	

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM		Prior Rate	% Increase	Rates
010-01	AUTOMOBILE PARTS CARTONS: EXHAUSTS, PIPES, MUFFLERS ETC.	EA		1.440	34.00%	1.930
010-02	AUTO SEATS	EA		6.080	34.00%	8.150
015-01	AUTO TRANSMISSIONS	EA		6.800	34.00%	9.110
020-01						
025-01						
030-02						
030-03						
030-04	BAIT BARRELS	EA		5.370	34.00%	7.200
035-01	BATHTUBS, EACH	EA		8.600	34.00%	11.520
035-02	COMBINATION TUB AND SHOWER (FIBERGLASS)	EA		18.320	34.00%	24.550
035-03	SHOWER IN BOX BY PIECE	EA		3.030	34.00%	4.060
035-04	SHOWER (FIBERGLASS)	EA		12.520	34.00%	16.780
040-01	BATTERIES, ELECTRIC, STORAGE EACH	EA		1.780	34.00%	2.390
045-01						
045-02	BEER, 24 PER CASE	CAS		1.280	34.00%	1.720
045-03	BEER IN KEGS EACH	KEG		2.260	34.00%	3.030
045-04	LIQUORS, SPLITS PER CASE	CAS		2.460	34.00%	3.300
045-05	WINE, PER CASE	CAS		1.820	34.00%	2.440
045-06						
050-01	BEVERAGES, SODA, JUICE, WATER	CAS		0.980	34.00%	1.310
050-02						
050-03	BEVERAGES, NON-ALCOHOLIC: CO2 + 02 TANKS AND CYLINDERS	CYL		2.240	34.00%	3.000
055-01	BICYCLES, NOIBN, IN BOXES OR CRATES	EA	New or Adjusted Rates	3.150	34.00%	4.220
055-11	STROLLER, CARRIAGE, BABY CAR SEAT CRATED	EA	New or Adjusted Rates	2.000	34.00%	2.680
055-12	STROLLER, CARRIAGE UNCRATED	EA		2.000	34.00%	2.680
065-04	COBBLESTONE	EA		0.450	34.00%	0.600
065-05	COBBLESTONE, LESS THAN 10 INCH	EA		0.220	34.00%	0.290
65-03	BLOCK, PATIO	EA		0.540	34.00%	0.720
70-00	BUOY, CARTON, LOOSE, SMALL 2'X2' BOX	EA		2.150	34.00%	2.880
70-01	BUOY, CARTON, LOOSE, LARGE OVER 2'X2' BOX	EA		3.560	34.00%	4.770
70-02	BUOY, LOBSTER	EA		0.360	34.00%	0.480
70-04						
70-05						
060-01	BLINDS, WINDOW OR SHUTTERS	EA		0.800	34.00%	1.070
065-01	BLOCKS, CHIMNEY 9 X 13	EA		0.490	34.00%	0.660
065-02	BLOCKS, BUILDING, CEMENT OR CINDER EACH	EA		0.540	34.00%	0.720
070-00	KAYAK, CANOE, WALK ON	EA		11.150	34.00%	14.940
070-01	BOATS, PER LINEAR FOOT	FT		1.440	34.00%	1.930
075-01	BOAT TRAILERS, LESS THAN 10 FEET	EA		18.410	34.00%	24.670

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM		Prior Rate	% Increase	Rates
080-01	BOILER/FURNACE	EA		24.430	34.00%	32.740
085-01	BOOKS, BY THE CARTON	CTN		2.420	34.00%	3.240
085-02						
090-01	CRATES, STEEL OR WOODEN	EA		12.160	34.00%	16.290
090-02	COPPER/BRASS FITTINGS IN CTNS	CTN		3.680	34.00%	4.930
095-01	BREAD, BAKERY PRODUCTS, IN CARTONS EACH (1.77 MIN)	CTN		0.980	34.00%	1.310
095-03	BREAD TRAYS, FULL MINIMUM CHARGE (1.77)	EA		0.980	34.00%	1.310
100-01	BRIDGING BOX METAL	EA	New or Adjusted Rates	1.460	34.00%	1.960
100-02	BROOM, ROAD, ATTACHMENT	EA		25.590	34.00%	34.290
105-01						
110-01	DRIP EDGE	BND		3.680	34.00%	4.930
115-01						
120-01	BRICKS, BUILDING, COMMON, LESS THAN M	EA		0.090	34.00%	0.120
120-02	BRICKS, BUILDING, COMMON OVER 1,000 BRICKS	M		60.800	34.00%	81.470
125-01						
125-02	BRICKS, FACE, EACH	EA		0.100	34.00%	0.130
125-03	BRICKS, FIRE, EACH	EA		0.130	34.00%	0.170
009 130-02	WEED WHACKER, ELECTRIC	EA		3.560	34.00%	4.770
170-00	COMPUTERIZED EQUIPMENT: CPU, LAPTOP, MONITOR, ETC.	EA	New or Adjusted Rates	7.450	34.00%	9.980
170-01						
170-02	COMPUTER PRINTER, SCANNER	EA		5.440	34.00%	7.290
175-09	CABINET, FILLER	EA		1.440	34.00%	1.930
175-10	CABINET, PANEL	EA		3.200	34.00%	4.290
175-11	CABINET, FILING RULE # 40 APPLIES	EA		6.090	34.00%	8.160
175-05	CABINET, SINGLE RULE 40 APPLIES	EA		3.680	34.00%	4.930
175-06	CABINET, DOUBLE RULE 40 APPLIES	EA		6.080	34.00%	8.150
175-12	CABINET, QUAD RULE #40 APPLIES	EA		17.870	34.00%	23.950
175-13	CABINET, FILING, SMALL 2 DRWR RULE #40 APPLIES	EA		2.870	34.00%	3.850
180-05	CASKET, GRAVE, LINER	SET		18.980	34.00%	25.430
180-06	PRECAST STAIRWAY	EA		38.650	34.00%	51.790
180-07	CART, SHOPPING	EA		3.560	34.00%	4.770
185-04						
240-00	COUNTER TOP	FT		0.930	34.00%	1.250
	COUNTER TOP - GRANITE	FT	New or Adjusted Rates	1.250	34.00%	1.680
240-01	COPPER SHOWER PANS	EA		2.680	34.00%	3.590
130-01	WEED WHACKER, GAS POWERED	EA		6.800	34.00%	9.110
135-01	BULKHEAD STEEL	EA		8.690	34.00%	11.640
140-01						
145-01	BUOY FLOAT, MAST HEAD	EA		1.250	34.00%	1.680

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM		Prior Rate	% Increase	Rates
150-01	BUFFER/POLISHER AND SANDER	EA		8.490	34.00%	11.380
155-01	CALCIUM CHLORIDE PER BAG	EA		2.420	34.00%	3.240
160-01						
165-01	CANDY OR CONFECTIONERY, IN BOXES OR CARTONS	EA		2.420	34.00%	3.240
165-02						
175-01	CABINET, MEDICINE	EA		1.780	34.00%	2.390
175-03	TRASH CAN: PLASTIC, ALUMINUM EMPTY	EA		1.780	34.00%	2.390
175-04	TOYS, GAMES	CTN		2.420	34.00%	3.240
175-07	CARPETS OR LINOLEUM/ROLL	EA		7.170	34.00%	9.610
175-08	ROLL PADDING/FOAM	EA		2.240	34.00%	3.000
180-02						
180-03						
180-04	CASKETS OR VAULT, BURIAL VAULT, CEMENT	EA	New or Adjusted Rates	17.360	34.00%	23.260
185-01	CEMENT, PLASTER, MORTAR IN 50-80LB. BAGS	EA		1.440	34.00%	1.930
185-02	POWER CEMENT TROWEL	EA		6.080	34.00%	8.150
185-03	SAKRETE, MORTAR, GROUT IN 25-45LB. BAGS	BAG		0.710	34.00%	0.950
190-01						
180-10	STAIRWAY, PREFAB 8 FEET / LESS	EA		5.010	34.00%	6.710
180-11	STAIRWAY, PREFAB GREATER THAN 8 FEET	EA		9.010	34.00%	12.070
195-01	CHARCOAL	BAG		1.780	34.00%	2.390
200-01	CAULKING COMPOUND, ACCESS PER BOX	BOX		1.440	34.00%	1.930
205-01						
205-02	CHAIN, 500-799 LB BARREL	EA		15.250	34.00%	20.440
205-03	CHAIN, 200-499 LB BARREL	EA		10.100	34.00%	13.530
205-04	CHAIN, LESS THAN 200 LB	EA		5.010	34.00%	6.710
210-01	CHIMNEY FLUE LINING, CLAY 8"X8" LINEAR FOOT	EA		0.540	34.00%	0.720
210-02	CHIMNEY FLUE LINING, CLAY 8" X 12 "	EA		0.620	34.00%	0.830
215-01						
220-01	CLAY THIMBLE 8"X8"	EA		0.620	34.00%	0.830
235-01	CLOTHING CLOTH, DRY GOODS, FABRIC BAGGING, GUNNY, IN BNDL OR CTN	CTN		1.250	34.00%	1.680
245-01						
245-02						
245-03	CORD WOOD: PER PALLET OR 1/2 CORD	CRD	New or Adjusted Rates	12.000	34.00%	16.080
245-04	CORD WOOD: PER CORD	CRD		17.860	34.00%	23.930
250-01	STEMWARE/CROKERY PLATES, CUPS, POTS AND PANS	CTN		3.030	34.00%	4.060
255-01	DOORS, WOODED, GLAZED	EA		3.030	34.00%	4.060
255-02	DOORS AND WINDOW, SCREEN	EA		3.030	34.00%	4.060
255-03						
255-04	DOOR, GARAGE, DOUBLE OR OVERHEAD, EACH	EA		7.320	34.00%	9.810

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate	% Increase	Rates
255-05	DOOR FRAMES	EA	2.420	34.00%	3.240
255-06	DOOR, STEEL FIRE, EACH	EA	11.630	34.00%	15.580
255-07	DOOR, CELLER, EACH	EA	12.160	34.00%	16.290
255-08	DOORS, PRE-HUNG	EA	4.920	34.00%	6.590
255-09	DOOR, GLASS, SLIDING, FRENCH PATIO	EA	10.700	34.00%	14.340
255-13	DOOR, DOUBLE PRE-HUNG	EA	9.820	34.00%	13.160
255-14	DOOR, BIFOLD	EA	3.030	34.00%	4.060
255-16					
255-17					
255-18	DOOR, GLASS, SLIDING, FRENCH DOUBLE PATIO	EA	21.460	34.00%	28.760
255-19	GATE, LARGE 16' OR LESS	EA	5.510	34.00%	7.380
255-20	GATE, LARGE 17' OR GREATER	EA	9.390	34.00%	12.580
255-21	DOOR, BATH TUB	EA	6.500	34.00%	8.710
260-01	DRUGS OR MEDICINES, NOIBN IN CARTONS	CTN	3.040	34.00%	4.070
260-02	DURA-WALL 500 LINEAL FEET 8"	EA	5.800	34.00%	7.770
260-03	DURA-WALL 500 LINEAL FEET 12"	EA	6.690	34.00%	8.960
270-00	WIRE, COIL	EA	1.780	34.00%	2.390
300-08	DRESSER, CHEST DISPLAY CASE, BOOKSHELF, RACK	EA	6.080	34.00%	8.150
300-13					
602-00	DUMPSTER, 15YRD	EA	35.810	34.00%	47.990
602-01	DUMPSTER, 10-14 YRDS	EA	28.650	34.00%	38.390
602-02	DUMPSTER, 6-9 YRDS	EA	21.500	34.00%	28.810
602-03	DUMPSTER, 3-5 YRDS	EA	17.870	34.00%	23.950
602-04	DUMPSTER, LESS THAN 3 YRDS	EA	7.170	34.00%	9.610
245-00	COOKIES	BOX	0.620	34.00%	0.830
255-00	DOOR, SHOWER	EA	3.560	34.00%	4.770
255-10	DOOR, STORM ALUMINUM	EA	3.560	34.00%	4.770
255-11					
011 15-02					
15-03	ENGINE, COMPLETE	EA	10.710	34.00%	14.350
265-01					
265-03	ELECTRIC SUPPLIES PER CARTON	CTN	1.780	34.00%	2.390
265-07	TRANSFORMER, 75 KVA	EA	71.600	34.00%	95.940
265-08	TRANSFORMER, 112.5 KVA	EA	93.050	34.00%	124.690
265-09	TRANSFORMER, 5 KVA	EA	7.170	34.00%	9.610
265-10	TRANSFORMER, 37 KVA	EA	34.350	34.00%	46.030
265-11	TRANSFORMER, 45 KVA	EA	50.110	34.00%	67.150
265-12	UTILITY ENCLOSURES	EA	13.260	34.00%	17.770
270-0	WIRE, SPOOL	EA	1.780	34.00%	2.390

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM			Prior Rate	% Increase	Rates
270-01	FELT, BUILDING IN ROLLS PER ROLL	EA			1.440	34.00%	1.930
270-02	FENCE, PER ROLL: SNOW/DEER	EA			4.920	34.00%	6.590
270-03	FENCE, PER ROLL, CHICKEN WIRE	EA			1.950	34.00%	2.610
270-04	FENCE, PER ROLL, STEEL	EA			6.690	34.00%	8.960
270-08	FENCE, STOCKADE >3'X8'	SEC			4.290	34.00%	5.750
270-09	FENCE, STOCKADE < OR = 3'X8'	SEC			2.780	34.00%	3.730
270-10	FENCE, MESH SHEET 5'X10' BY PALLET	PLT			31.950	34.00%	42.810
270-11	FENCE, PER ROLL, SILT	EA			1.950	34.00%	2.610
275-00	FERTILIZER COMPOUNDS, SINGLE ONE TON BAG, NOIBN	TON			39.020	34.00%	52.290
275-01	FERTILIZER COMPOUNDS, NOIBN	EA			1.950	34.00%	2.610
275-02	LIME, MANURE IN BAGS	EA			1.440	34.00%	1.930
275-03	MULCH, PEAT MOSS	EA			1.440	34.00%	1.930
275-04	SOIL	EA			1.440	34.00%	1.930
275-04	MULCH, PEAT MOSS PALLET SIZE BALE	PLT			19.870	34.00%	26.630
275-05	FERTILIZER COMPOUNDS, 1000LB BAG, NOIBN	BAG			25.650	34.00%	34.370
280-00							
280-01							
280-02	FISH, FRESH OR FROZEN, BOXES	EA	New or Adjusted Rates		3.000	34.00%	4.020
280-03	FISH, FRESH OR FROZEN, IN BAGS, EACH	EA			1.810	34.00%	2.430
280-04	LOBSTERS, IN BARRELS OR CRATES, EACH	EA			4.830	34.00%	6.470
280-045							
280-11	FISH, X-TUB	TUB			16.080	34.00%	21.550
280-12	X-TUB, EMPTY	EA			8.050	34.00%	10.790
280-13							
285-00	CRUSHED STONE (EG: FLAG STONES, BLUESTONE, SLATE, PALLET)	PLT			28.650	34.00%	38.390
285-01	FLAG STONES, BLUESTONE, SLATE	EA			1.950	34.00%	2.610
285-02	FIRE EXTINGUISHERS	EA			1.780	34.00%	2.390
290-01	FLOWERS: FRESH/ARTIFICIAL PER BOX/CTN/BND	CTN			1.440	34.00%	1.930
290-02	FLASHING: ALUMINUM/LEAD 8"-10" ROLL	ROL			1.250	34.00%	1.680
290-03	FLASHING, ALUMINUM/LEAD 11-12" ROLL	ROL			1.610	34.00%	2.160
290-04	FLASHING, BOXED	BOX			1.440	34.00%	1.930
290-05	FLASHING, COPPER	RL			2.510	34.00%	3.360
290-06	ALUMINUM, SHEET, BY SQUARE FOOT	SQF			0.210	34.00%	0.280
295-01	FRUITS OR VEGETABLES 100 lbs	LB			2.160	34.00%	2.890
	FRUITS OR VEGETABLES 180 lbs	LB	New or Adjusted Rates		4.000	34.00%	5.360
300-06	TABLE, FOLDING RENTAL RULE #40 APPLIES	EA			2.870	34.00%	3.850
300-07	DESK RULE #40 APPLIES	EA			7.170	34.00%	9.610
300-09	TABLE, PICNIC	EA			7.170	34.00%	9.610
	BUTCHER BLOCK TABLE	EA			2.870	34.00%	3.850
300-1							



CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM		Prior Rate	% Increase	Rates
300-10						
300-12	CHAIR; PATIO, SLEEVE	SLV		8.280	34.00%	11.100
300-14	CHAISE LOUNGE; PATIO, SLEEVE	SLV		14.490	34.00%	19.420
305-02						
305-03	DIST. BOXES	EA		5.820	34.00%	7.800
305-04	1,000 GAL SEPTIC TANK	EA		85.820	34.00%	115.000
	SEWER MANHOLE PIECES	EA	New or Adjusted Rates	21.000	34.00%	28.140
305-05	SHALLOW GALLEY/FLOW DIFFUSOR	EA	New or Adjusted Rates	21.000	34.00%	28.140
	LARGE BULKY ITEMS GREATER (4ft by 8 ft)	EA	New or Adjusted Rates	60.000	34.00%	80.400
305-07	BLOCK, RETAINING / BARRICADE 3X3X5	EA		13.260	34.00%	17.770
310-01	GLASS, BOX OF, CRATED, LOOSE	EA		4.830	34.00%	6.470
310-02	GLASSWARE, CARBOYS, EMPTY	EA		0.540	34.00%	0.720
310-03	GLASSWARE, IN CARTONS, INCLUDE POTTERY, ETC.	EA		2.420	34.00%	3.240
315-00	PET FOOD	PKG		1.440	34.00%	1.930
315-01	GRAIN, FEED, SEED, BAG (UNDER A TON)	EA		1.250	34.00%	1.680
315-02	GRAIN, FEED, SEED, BAG, TON AND OVER	EA		0.800	34.00%	1.070
315-03	GRAVEL IN BAGS	EA		1.250	34.00%	1.680
315-04	GRAIN, FEED, SEED, 1 TON BAG OR 2 1/2 TON BAGS	EA		25.770	34.00%	34.530
315-05	PELLETS, WOOD BY 50LB BAG	BAG		1.250	34.00%	1.680
320-01						
320-02						
325-01	GROCERIES, BAG OF: EACH	EA		0.540	34.00%	0.720
325-02						
325-03	GROCERIES, TOTE, PEAPOD ITEM	EA		2.430	34.00%	3.260
325-04						
325-05	GROCERIES AND GROCERY SUPPLIES CHARGE PER SHIPMENT	CTN		1.070	34.00%	1.430
325-06						
330-02	GUTTERS/DOWNSPOUTS/ROOF DRAINS PER LINEAR FOOT EACH, NOT CTN	LF		0.130	34.00%	0.170
330-03	GYPSOLITE, BY BAG	BAG		1.250	34.00%	1.680
265-04	TRANSFORMER, 10 KVA	EA		10.710	34.00%	14.350
265-05	TRANSFORMER, 15 KVA	EA		14.320	34.00%	19.190
265-06	TRANSFORMER, 25 KVA	EA		21.500	34.00%	28.810
270-05	FENCE, POST AND/OR RAIL	EA		0.710	34.00%	0.950
270-06	FENCE, HOLDER, POST	EA		0.360	34.00%	0.480
290-00	FORMICA	RL		6.230	34.00%	8.350
295-00	PRODUCE	LB		2.160	34.00%	2.890
300-00	CHAIRS; PATIO, FOLDING RULE 40 APPLIES	EA		1.440	34.00%	1.930
300-01	CHAIRS; LOUNGE, CTN OR LOOSE RULE 40 APPLIES	EA		2.870	34.00%	3.850
300-02	SOFA; COUCH, SLEEPER RULE 40 APPLIES	EA		8.950	34.00%	11.990

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM			Prior Rate	% Increase	Rates
300-03	TABLE; DINNING ROOM RULE 40 APPLIES	EA			7.170	34.00%	9.610
300-04	TABLE; END RULE 40 APPLIES	EA			2.870	34.00%	3.850
300-05	TABLE; COFFEE RULE 40 APPLIES	EA			4.290	34.00%	5.750
310-04							
330-01	GROUND RODS, PER LINEAR FOOT	LF			0.060	34.00%	0.080
335-01	HAMPERS, LAUNDRY EMPTY RETURN RULE 40 APPLIES	EA			2.870	34.00%	3.850
335-03	HAMPERS, LAUNDRY, CLEAN RULE 40 APPLIES	EA			4.830	34.00%	6.470
335-04	HAMPER, DIRTY LAUNDRY RULE 40 APPLIES	EA			4.290	34.00%	5.750
335-05	LAUNDRY, DIRTY RULE 40 APPLIES	EA			1.440	34.00%	1.930
340-02	SPADES, SHOVELS, BROOMS, POST HOLE DIGGERS, RAKES, PER BNDL	BDL			1.610	34.00%	2.160
340-03	SPADES, SHOVELS, BROOMS, POST HOLE DIGGERS, ECT. EACH	EA			1.440	34.00%	1.930
340-04							
340-05	WHEEL BARROW	EA			5.010	34.00%	6.710
345-01							
345-02	HAY, BALES	EA	New or Adjusted Rates		1.250	34.00%	1.680
345-03	SHAVINGS	BAG			1.440	34.00%	1.930
350-01	HEATERS, AIR, ELECTRIC, FANS OR COMB. IN BOXES OR CTNS.	CTN			1.780	34.00%	2.390
350-02	HEATER, LARGE, CRATED	EA			5.370	34.00%	7.200
350-03	HEATER, KEROSENE	EA			3.560	34.00%	4.770
355-01	HEATERS, GAS OR ELECTRIC, HOT WATER LESS THAN 40 CAP.	EA			6.080	34.00%	8.150
355-02	HEATERS, GAS OR ELECTRIC HOT WATER, 40-79 CAP	EA			8.490	34.00%	11.380
355-03	HEATERS, GAS OR ELECTRIC HOT WATER, 80 OR GREATER CAP	EA			13.940	34.00%	18.680
360-01							
360-02							
365-00	ICE, BAG BY PALLET	EA			28.650	34.00%	38.390
365-01							
365-02	ICE, ARTIFICIAL OR NATURA PER BUSHEL BASKET OR BAG	EA			1.440	34.00%	1.930
370-01	ICE CREAM, PER CARTON	CTN			3.030	34.00%	4.060
370-02							
375-01							
375-02							
375-03	ICE CREAM, IN PALLET BOX PER UNIT/PKG.	EA			1.440	34.00%	1.930
380-01							
380-02							
380-03	INSULATION, PER ROLL	EA			0.980	34.00%	1.310
380-04	INSULATION, PER BATT	EA			1.400	34.00%	1.880
380-05	INSULATION, SHEETS 1"	EA			0.870	34.00%	1.170
380-06	INSULATION, SHEETS 2"	EA			1.250	34.00%	1.680
380-07	INSULATION, SHEETS 3"	EA			1.610	34.00%	2.160

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate	% Increase	Rates
380-08	INSULATION, 4" SHEETS	EA	2.150	34.00%	2.880
380-09	INSULATION, SHEETS 5"	EA	2.500	34.00%	3.350
380-12	STYROFOAM LOGS	EA	2.870	34.00%	3.850
380-13	FLOAT DRUM, DOCK FLOATATION	EA	7.170	34.00%	9.610
280-09	LOBSTER TRAP, FENCE, ROLLS OVER 20"	EA	4.290	34.00%	5.750
280-10	LOBSTER LINE, COIL	EA	1.440	34.00%	1.930
300-11	HEADBOARD/FOOTBOARD	EA	2.870	34.00%	3.850
385-00					
385-02	LOLLY COLUMNS	EA	2.420	34.00%	3.240
390-00	SINK, TRIPLE	EA	9.820	34.00%	13.160
390-07	LAWN MOWER, WALK BEHIND	EA	10.700	34.00%	14.340
390-08	LAWNMOWERS, FLAIL, TOW MOWER	EA	6.080	34.00%	8.150
390-09	LAWN MOWERS - LARGE RIDING	EA	29.010	34.00%	38.870
395-00	LIVESTOCK, VIZ: BEES IN CRATES	CRT	3.130	34.00%	4.190
395-01					
395-02	LIVESTOCK, HENS, DUCKS, OR TURKEYS IN CRATES	CRT	4.830	34.00%	6.470
400-05	TRUSS	EA	10.710	34.00%	14.350
400-06	FLOORING, BOXED, BUNDLED	EA	1.780	34.00%	2.390
405-01	AIR CONDITIONER	EA	6.080	34.00%	8.150
405-06	POWER WASHER	EA	6.080	34.00%	8.150
405-07	GALLON JUG	EA	1.440	34.00%	1.930
405-08	ROTOTILLER, ELECTRIC	EA	5.440	34.00%	7.290
405-09	ROTOTILLER, GAS POWERED	EA	6.080	34.00%	8.150
405-10	ROTOTILLER, RIDING	EA	10.700	34.00%	14.340
405-11	VACUUM	EA	5.440	34.00%	7.290
525-17	MACHINE, WELDER	EA	7.320	34.00%	9.810
595-05	DISPOSAL	EA	5.010	34.00%	6.710
595-06	COMPACTOR	EA	6.080	34.00%	8.150
595-07	COOK TOP	EA	5.010	34.00%	6.710
280-05	LOBSTER TRAP	EA	2.150	34.00%	2.880
280-06	LOBSTER TRAP, FENCE, ROLLS UP TO 20"	RL	2.150	34.00%	2.880
280-07					
280-08	LOBSTER TRAP, MESH APPROX 3X4	EA	1.440	34.00%	1.930
385-01	STAGGING: LADDERS, ALUMINUM, STEEL, WOOD PER LINEAR FOOT	FT	0.360	34.00%	0.480
385-03	LATTICE	SH	2.300	34.00%	3.080
385-04	LAUNDRY, SMALL PKG RULE 40 APPLIES	BND	1.370	34.00%	1.840
385-05	LAUNDRY, LARGE BAG RULE 40 APPLIES	EA	1.780	34.00%	2.390
390-01	SINK	EA	4.920	34.00%	6.590
390-03	TOILET, TANK/BOWL	EA	4.920	34.00%	6.590

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390-06	TOILET, 1 PIECE	EA		9.820	34.00%	13.160
400-01	LUMBER-FINISH (OVER 1000 BOARD FEET)	BFT		60.990	34.00%	81.730
400-02	LUMBER-FINISH-LESS-1000-	BFT		0.100	34.00%	0.130
400-03	LUMBER-UNFINISH OVER-1000	BFT		44.700	34.00%	59.900
400-04	LUMBER-UNFINISH-LESS-1000	BFT		0.060	34.00%	0.080
405-00	MACHINES - CANDY, CIG, VENDING	EA		13.420	34.00%	17.980
405-02	MACHINES POWER TOOLS	EA		6.080	34.00%	8.150
405-03	MACHINES VIDEO GAMES, JUKE BOX PINBALL	EA		20.750	34.00%	27.810
405-04	MACHINES COMPRESSOR	EA		7.320	34.00%	9.810
405-05	MACHINES COFFEE	EA	New or Adjusted Rates	5.460	34.00%	7.320
405-12	PUMP, GAS STATION	EA		20.750	34.00%	27.810
410-00	GRAVE STONES	WT		3.030	34.00%	4.060
415-00	MATTRESSES SINGLE BED	EA		2.420	34.00%	3.240
415-01	MATTRESSES DOUBLE BED	EA		3.680	34.00%	4.930
415-02	FRAMES/FOLDING CARTS/BEDS	EA		3.030	34.00%	4.060
420-00	MILK-PER-CASE	CS		1.440	34.00%	1.930
420-01						
390-02	LAWN MOWERS - PUSH	EA		5.370	34.00%	7.200
390-04	LAWN MOWERS - RIDING	EA		10.700	34.00%	14.340
014 270-07	FENCE, HOLDER, POST BUNDLE	EA		1.440	34.00%	1.930
430-02	MOTORCYCLE CRATED	EA		21.500	34.00%	28.810
435-03	LAWN TRACTOR MOWER DECK	EA	New or Adjusted Rates	14.570	34.00%	19.520
440-04						
450-01	MEATS	LB		2.230	34.00%	2.990
450-02	DRY FOOD GOODS CTN OR BAG	EA		1.440	34.00%	1.930
455-02	PAINTS/PER-CTN	CS		1.440	34.00%	1.930
500-27	PIPE, EMT 2"	FT		0.170	34.00%	0.230
500-28	PIPE, EMT 1 1/2"	FT		0.130	34.00%	0.170
500-29	PIPE, COPPER 3"	FT		0.290	34.00%	0.390
500-33	SONO TUBE, 36"	FT		0.390	34.00%	0.520
500-34	PIPE, BLACK IRON 1/2"	FT		0.040	34.00%	0.050
500-35	PIPE, BLK IRON, 1 1/4"	FT		0.070	34.00%	0.090
500-36	PIPE, BLACK IRON 8"	FT		0.430	34.00%	0.580
500-37	SONO TUBE, 6"	FT		0.070	34.00%	0.090
500-38	PIPE, BLACK IRON 6"	FT		0.360	34.00%	0.480
500-39	SONO TUBE 24"	FT		0.270	34.00%	0.360
500-40	PIPE, BLK IRON, 1 1/2	EA		0.078	34.00%	0.100
500-41	PIPE, PVC 1/2"	FT		0.200	34.00%	0.270
500-43	PIPE, CORRUGATED, 12" DIAMETER	FT		0.710	34.00%	0.950

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate	% Increase	Rates
500-44	PIPE, CORRUGATED, 18" DIAMETER	FT	0.980	34.00%	1.310
500-45	SONO TUBE 18"	FT	0.210	34.00%	0.280
500-46	PIPE, EMT, 1 1/4"	FT	0.100	34.00%	0.130
500-47	SONO TUBE, 16"	FT	0.190	34.00%	0.250
500-48	PIPE, BLK IRN, 12"	LFT	0.650	34.00%	0.870
500-49	PIPE, CORRUGATED, 24" DIAMETER	FT	1.250	34.00%	1.680
500-50	PIPE, BLACK IRON, 2 1/2	FT	0.140	34.00%	0.190
500-51	PIPE, PVC, 18"	FT	0.390	34.00%	0.520
500-52	SONO TUBE BASE, FOOTING	EA	0.560	34.00%	0.750
500-53	PIPE, BLACK IRON 4"	EA	0.230	34.00%	0.310
500-54	PIPE, BLACK IRON 3"	FT	0.140	34.00%	0.190
500-55	PIPE, EMT, 4"	FT	0.320	34.00%	0.430
500-56	PIPE, CORRUGATED, 10" DIAMETER	FT	0.660	34.00%	0.880
500-57	PIPE, EMT, 3"	FT	0.270	34.00%	0.360
500-58	PIPE, CORRUGATED, 36" DIAMETER	FT	2.190	34.00%	2.930
505-07	SHEETROCK 4X8X1/4-1/2	EA	1.830	34.00%	2.450
505-13	PANEL, GLASSTEEL, PLASTIC WALL PANEL, CRINKLE CUT	EA	1.010	34.00%	1.350
505-14	PEG BOARD 4X8X1/4	EA	1.830	34.00%	2.450
510-01					
425-00	MIRRORS	EA	4.830	34.00%	6.470
430-00	MOPEDS	EA	8.530	34.00%	11.430
430-01	MOLDING-PER-100-LF	LF	1.440	34.00%	1.930
435-02					
440-01	NAILS-IN-CTN	BX	1.440	34.00%	1.930
440-02	NEWSPAPERS, MAGAZINES BY BNDL	BDL	0.620	34.00%	0.830
440-03	NEWSPAPER, MAGAZINES BY CARTON	CTN	2.420	34.00%	3.240
445-01	OIL-PER-CASE	EA	1.440	34.00%	1.930
445-02	OUTBOARD, MOTOR	EA	5.820	34.00%	7.800
455-01	5-GALLON-PAIS	EA	1.440	34.00%	1.930
500-00	PIPE, EMT, 1/2"	FT	0.040	34.00%	0.050
500-01	PIPE, EMT, 3/4"	FT	0.060	34.00%	0.080
500-02	PIPE/HOSE PLASTIC	FT	0.060	34.00%	0.080
500-03	PIPE, STEEL, GALV.	FT	0.140	34.00%	0.190
500-04	PIPE, EMT, 1"	FT	0.090	34.00%	0.120
500-05	PIPE, BLACK IRON, 1"	FT	0.070	34.00%	0.090
500-07	PIPE, BLACK IRON, 3/4	FT	0.040	34.00%	0.050
500-09	PIPE, BLACK IRON, 2"	FT	0.110	34.00%	0.150
500-10	PIPE, PVC, 1"	FT	0.030	34.00%	0.040
500-11	PIPE, PVC, 1 1/2"	FT	0.030	34.00%	0.040

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate	% Increase	Rates
500-12	PIPE, PVC, 2"	FT	0.040	34.00%	0.050
500-13	PIPE, PVC, 2 1/2"	FT	0.060	34.00%	0.080
500-14	PIPE, PVC, 3"	FT	0.060	34.00%	0.080
500-15	PIPE, PVC, 3 1/2"	FT	0.080	34.00%	0.110
500-16	PIPE, PVC, 4"	FT	0.090	34.00%	0.120
500-17	PIPE, PVC, 6"	FT	0.130	34.00%	0.170
500-18	PIPE, PVC, 8"	FT	0.170	34.00%	0.230
500-19	PIPE, PVC, 12"	FT	0.270	34.00%	0.360
500-20	PIPE, COPPER, 1/2"	FT	0.090	34.00%	0.120
500-21	PIPE, COPPER, 3/4"	FT	0.100	34.00%	0.130
500-22	PIPE, COPPER, 1"	FT	0.130	34.00%	0.170
500-23	PIPE, COPPER, 1 1/4"	FT	0.140	34.00%	0.190
500-24	PIPE, COPPER, 1 1/2"	FT	0.160	34.00%	0.210
500-25	PIPE, COPPER, 1 3/4"	FT	0.170	34.00%	0.230
500-26	PIPE, COPPER, 2"	FT	0.210	34.00%	0.280
500-30	SONO TUBE, 8"	FT	0.090	34.00%	0.120
500-31	SONO TUBE, 10"	FT	0.110	34.00%	0.150
500-32	SONO TUBE, 12"	FT	0.130	34.00%	0.170
505-00	PLYWOOD 4X8X1/4-1/2	EA	1.830	34.00%	2.450
505-01	PLYWOOD 4X8X3/4-5/8	EA	2.750	34.00%	3.690
505-02	PLYWOOD 4X12X1/2	EA	2.750	34.00%	3.690
505-03	PLYWOOD 4X12X3/4, 5/8	EA	4.130	34.00%	5.530
505-04	PLYWOOD (AC) 4X8X1/4-3/8	EA	2.750	34.00%	3.690
505-05	PLYWOOD (AC) 4X8X1/2	EA	3.200	34.00%	4.290
505-06	PLYWOOD (AC) 4X8X5/8-3/4	EA	4.130	34.00%	5.530
505-08	SHEETROCK 4X8X5/8-3/4	EA	2.750	34.00%	3.690
505-09	SHEETROCK 4X12X1/4-1/2	EA	2.750	34.00%	3.690
505-10	SHEETROCK 4X12X5/8-3/4	EA	4.130	34.00%	5.530
510-00	POLES, TELEPHONE, FLAG	LF	0.540	34.00%	0.720
500-42	PIPE, PVC 3/4"	FT	0.020	34.00%	0.030
305-06	CEMENT STORM DRAINS	EA	10.590	34.00%	14.190
525-00	REFRIGERATORS-LESS THAN 8 CU FEET	EA	8.600	34.00%	11.520
525-01	REFRIGERATORS-8CUBIC-FT- LESS THAN 15 CU	EA	11.010	34.00%	14.750
525-02	REFRIGERATORS-15/19-CUBIC-FT	EA	24.430	34.00%	32.740
525-03	REFRIGERATORS-20CUBIC-FT	EA	36.580	34.00%	49.020
525-04	REFRIGERATORS, WALK-IN	EA	50.110	34.00%	67.150
525-07	ICE MACHINE WITHOUT BIN	EA	14.320	34.00%	19.190
525-08	ICE MACHINE WITH BIN	EA	24.430	34.00%	32.740
525-09	ICE MACHINE BIN	EA	11.430	34.00%	15.320

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525-10	MACHINE, SODA	EA			24.430	34.00%	32.740
525-11	MACHINE, GENERATOR <10 KW	EA			6.080	34.00%	8.150
525-12	ICE MAKER	EA			3.560	34.00%	4.770
525-13	MACHINE, EXERCISE	EA			6.080	34.00%	8.150
525-14	DEHUMIDIFIER	EA			5.440	34.00%	7.290
525-15	MACHINE, GENERATOR 10-20 KW	EA			17.180	34.00%	23.020
525-16	MACHINE, GENERATOR >20 KW	EA			42.950	34.00%	57.550
530-02	SAFE, VAULT LESS THAN 3X3X3	EA			7.320	34.00%	9.810
535-03	SAND,BLASTING	BAG			1.440	34.00%	1.930
535-04	SAND, BULK PALLET, NOT IN BAGS	PLT			28.760	34.00%	38.540
	WOOD J BEAM	FT	New or Adjusted Rates		0.550	34.00%	0.740
545-03	STEEL I BEAM	FT			1.070	34.00%	1.430
545-04	STEEL, SHEET, BY SQUARE FOOT	SQF			0.360	34.00%	0.480
550-02	STOVE, WOOD, FIREPLACE	EA			8.950	34.00%	11.990
550-03	STEREO EQUIP	EA			5.010	34.00%	6.710
550-04	GRILL, GAS, OUTDOOR	EA			5.440	34.00%	7.290
555-02	TANK, PROPANE EMPTY	EA			1.160	34.00%	1.550
	TANK, PROPANE 1,000 GAL.	EA	New or Adjusted Rates		100.000	34.00%	134.000
555-03	WATER SOFTENER/ FILTER	EA			2.420	34.00%	3.240
555-04	TANK, PROPANE, 100LB OR GREATER	EA			4.180	34.00%	5.600
555-05	SEPTIC SYSTEM FILTER POD	EA			13.260	34.00%	17.770
560-02	1000 GAL OIL TANK	EA			32.170	34.00%	43.110
560-03	TANKS; OIL OR SEPTIC 330GL	EA			11.630	34.00%	15.580
560-04	CURBING, CEMENT	EA			5.820	34.00%	7.800
560-05	ELJEN DRNS/ SEPTIC INFILTRATOR	EA			1.440	34.00%	1.930
560-06	TANK; OIL, LESS THAN 275	EA			5.040	34.00%	6.750
595-08	RANGE HOOD	EA			2.510	34.00%	3.360
600-15	WELL MATE TANK	EA			8.490	34.00%	11.380
600-16	PAPER GOODS	EA			1.440	34.00%	1.930
515-00	POTATO-CHIPS	CTN			0.620	34.00%	0.830
515-01							
520-00	PUMPS-IN-CTNS	EA			4.830	34.00%	6.470
520-01	PUMP-JACKS-PER-BUNDLE	EA			1.780	34.00%	2.390
520-02	REEL, CABLE 5FT. DIAMETER	EA			21.500	34.00%	28.810
520-03	REEL, CABLE >5FT. DIAMETER	EA			42.950	34.00%	57.550
520-04	REEL, CABLE, EMPTY	EA			12.180	34.00%	16.320
525-05	REEL, CABLE <5FT. DIAMETER	EA			6.650	34.00%	8.910
525-06	RE ROD	FT			0.040	34.00%	0.050
530-00							

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate		% Increase	Rates
530-01	RED-ROBIN-PAPER	EA			0.800	34.00% 1.070
535-00	SALT-IN-BAGS	EA			1.440	34.00% 1.930
540-00	SIGNS-NEON-OR-ELECTRIC	EA			12.160	34.00% 16.290
545-00	SHINGLES-WOOD-ASPHALT	BDL			0.980	34.00% 1.310
550-00	STOVES-GAS-PROPANE	EA			6.080	34.00% 8.150
550-01	STOVES, RANGE; RESTUARANT FURNACE	EA			24.430	34.00% 32.740
555-00	TANKS; PROPANE,GAS,OXY,ACET, DIVE TANKS	EA			2.420	34.00% 3.240
555-01	TURF	PLT			23.250	34.00% 31.160
560-00	TANKS; OIL OR SEPTIC 275GL	EA			8.050	34.00% 10.790
560-01	TANKS; 500 GAL OIL	EA			15.830	34.00% 21.210
016 400-07	THRESHOLD	EA			0.710	34.00% 0.950
	THRESHOLD - MARBLE	EA	New or Adjusted Rates		1.500	34.00% 2.010
570-03						
570-04	TENT, GARDEN	EA			5.010	34.00% 6.710
575-04	TILE, WELL 24" OR LESS	EA			5.440	34.00% 7.290
575-05	TILE; WELL COVER 24" OR LESS	EA			3.480	34.00% 4.660
580-021	TIRE, LARGE, TRACTOR	EA			2.510	34.00% 3.360
580-04	TREE, SHRUB, LIVE OVER 8'	EA	New or Adjusted Rates		20.000	34.00% 26.800
580-06	PLANT, TRAY	EA			1.440	34.00% 1.930
580-07						
585-01	TOBACCO, CANDY, SMOKING ACC	EA			2.420	34.00% 3.240
590-01	VOTING MACHINE, SMALL, TABLE SIZE	EA			12.660	34.00% 16.960
595-09	WASHER/DRYER COMBINATION	EA			12.180	34.00% 16.320
595-10	DRYER, COMMERCIAL, LARGE	EA			12.180	34.00% 16.320
600-04	WINDOW; QUAD	EA			29.290	34.00% 39.250
600-17	TANK, EXTROL, WELL SIZE	EA			8.490	34.00% 11.380
600-18						
600-19	WINDSURFER	EA			7.170	34.00% 9.610
600-20	SURFBOARD	EA			6.500	34.00% 8.710
565-00						
570-00	TELEVISION SETS; IN CARTONS COLOR	EA			12.160	34.00% 16.290
575-00	TILE; WELL OVER 24"	EA			9.090	34.00% 12.180
575-01	TILE; FLOOR, VINYL, ETC.	CTN			1.250	34.00% 1.680
575-02	TILE; WELL COVERS GREATER THAN 24"	EA			5.360	34.00% 7.180
575-03	TILE, CEILING, BOX	EA			1.440	34.00% 1.930
580-00	TIRES; RUBBER, PASSENGER CAR	EA			1.440	34.00% 1.930
580-01	TIRES; TRUCK	EA			1.950	34.00% 2.610
580-02	TREES; SHRUBS UNDER 4'	EA			1.530	34.00% 2.050
580-03	TREES; SHRUBS OVER 4'	EA			1.950	34.00% 2.610



CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM		Prior Rate	% Increase	Rates
585-00	TABACCO; CHEWING, CIGARS, CIGAR ETTE.	CTN		2.420	34.00%	3.240
590-00	VOTING / ATM MACHINE	EA		24.310	34.00%	32.580
595-00	WASHING MACHINES	EA	New or Adjusted Rates	9.000	34.00%	12.060
595-01	RANGE	EA	New or Adjusted Rates	9.000	34.00%	12.060
595-02	DISHWASHER	EA	New or Adjusted Rates	9.000	34.00%	12.060
595-03	DRYER	EA	New or Adjusted Rates	9.000	34.00%	12.060
595-04	MICROWAVE	EA		6.080	34.00%	8.150
600-00	WINDOWS; SINGLE, SASHES	EA		3.680	34.00%	4.930
600-01	WINDOWS; DOUBLE MULLION	EA		4.830	34.00%	6.470
600-02	WINDOWS; PICTURE, PLATE GLASS THERMOPANE OR TRIPLES	EA		24.430	34.00%	32.740
600-03	WINDOWS; IN BOXES OR CARTONS	EA		4.030	34.00%	5.400
600-12	ENVELOPE, MISC	EA		1.440	34.00%	1.930
600-13	TANK, EXTROL SMALL	EA		2.420	34.00%	3.240
600-14	TANK, EXTROL LARGE	EA		4.830	34.00%	6.470
601-11						
017 285-03						
600-10	EMPTY DRUM, KERO, OIL 55 GAL	EA		2.510	34.00%	3.360
601-07						
601-12						
601-13	DURA-ROCK, WONDERBOARD 3X5	EA		2.150	34.00%	2.880
601-14	RADIATOR, CAST IRON	EA		3.560	34.00%	4.770
601-15						
601-16	FEDERAL EXPRESS PKG	EA		2.300	34.00%	3.080
601-17	DURA-ROCK, WONDERBOARD 4X8	EA		4.590	34.00%	6.150
601-18	DURA-ROCK, WONDERBOARD 3X6	EA		2.590	34.00%	3.470
601-19	DIAMOND PLATING, LATH, GALV APPROX. 4X8	EA		1.440	34.00%	1.930
600-09	DRUM, 55 GAL, KERO, OIL	EA		7.320	34.00%	9.810
601-00	UPS PKG	EA		6.110	34.00%	8.190
601-01	PKG MISC	EA		1.440	34.00%	1.930
601-02	BAG MISC	EA		1.440	34.00%	1.930
601-03	JAMBS	BDL		1.440	34.00%	1.930
601-04	BOX, FITTING	EA		1.440	34.00%	1.930
601-05	TYPAR, TYVEK, ROLL	EA		1.440	34.00%	1.930
601-06	PALLET, PERSONAL	EA		7.860	34.00%	10.530
601-08	BASE BOARD	EA		1.780	34.00%	2.390
601-09	BASE BOARD; CAST IRON	EA		2.870	34.00%	3.850
601-10	BUNDLE MISC	EA		1.440	34.00%	1.930
601-9	GALLON CAN, MISC	EA		1.440	34.00%	1.930
090 165-00	CTN MISC	EA		1.440	34.00%	1.930

CLASS ITEM NUMBER	DESCRIPTION OF COMMODITY	UOM	Prior Rate % Increase Rates			
101 225-01						
230-01						

# EXHIBIT #3

**Rate Ceiling & Floor**  
**Interstate Navigation Company**

	Floor Rate -20%	Rate	Ceiling Rate +10%
<hr/> <i>Passenger</i> <hr/>			
Adult One Way	\$ 9.90	\$ 12.35	\$ 13.60
Adult Round Trip	\$ 18.10	\$ 22.60	\$ 24.85
Child One Way	\$ 5.00	\$ 6.25	\$ 6.90
Child Round Trip	\$ 9.05	\$ 11.30	\$ 12.45
Commuter One Way	\$ -	\$ -	\$ -
Commuter Round Trip	\$ 16.00	\$ 16.00	\$ 16.00
 <hr/> <i>Vehicles</i> <hr/>			
Cars	\$ 31.15	\$ 38.95	\$ 42.85
Pick-ups & SUVs	\$ 38.30	\$ 47.90	\$ 52.70
Commuter Cars	\$ 32.70	\$ 32.70	\$ 32.70
Commuter Pick-ups & SUVs	\$ 39.45	\$ 39.45	\$ 39.45
 Trucks & Oversize Trucks			
Trucks	\$ 4.90	\$ 6.10	\$ 6.70
Hazardous Trucks	\$ 7.40	\$ 9.25	\$ 10.20
Oversized Vehicles	\$ 3.60	\$ 4.50	\$ 4.95
Vehicles over 7' High	\$ 4.90	\$ 6.10	\$ 6.70
Vehicle Overhang Charge	\$ 6.75	\$ 8.45	\$ 9.30
Weight Premium	\$ 48.30	\$ 60.35	\$ 66.40
 <hr/> <i>Freight</i> <hr/>			
-Freight	See individual Tariff		
 <hr/> <i>Bikes, Mopeds, Etc.</i> <hr/>			
-Bikes, Mopeds, etc.			
Bicycles	\$ 2.55	\$ 3.20	\$ 3.50
Electric Bicycles	\$ 6.65	\$ 8.30	\$ 9.15
Motorcycles	\$ 17.45	\$ 21.80	\$ 24.00

Total Rates and Charges