

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY'S COMPLIANCE FILING
DOCKET NO. 4373

NOTICE OF FILING AND TO SOLICIT COMMENTS

Pursuant to R.I. Gen. Laws §39-3-11, the Public Utilities Commission (PUC) hereby gives notice that it will accept written public comments regarding a request by Interstate Navigation Company (Company) to implement reductions to the Company's traditional ferry service rates. This request is made pursuant to Paragraph IV.B.4 of the Settlement Agreement (Agreement) approved in PUC Order No. 21069 in this docket.

The Agreement allows the Company to adjust its fuel surcharge level to reflect the current Base Price of fuel, including taxes. The Agreement also requires the Company to maintain a Reserve Account whereby in any month in which the average price of fuel purchased for traditional services, including all applicable taxes, is less than the Base Price, Interstate Navigation 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 Company reports that fuel prices have dropped below the \$3.25 per gallon price that is currently built into the Base Price. Also, the Reserve Account balance as of October 31, 2015, had a balance of \$463,679. In this request, the Company proposes to: 1) reduce the Base Price of fuel from \$3.25 per gallon including taxes, to \$1.50 per gallon including taxes; and 2) reduce passenger and vehicle base rates to credit customers for the fuel reserve balance in the Reserve Account. The impact of this request on passenger and vehicle base rates is a reduction of approximately 8%. The tariffs for freight rates, bicycle rates and fast ferry rates will remain unchanged.

Interested parties and members of the public wishing to offer comments regarding Interstate Navigation's proposal may do so in writing to Luly Massaro, Public Utilities Commission, 89 Jefferson Blvd., Warwick, RI 02888 until 4:00 P.M. on December 30, 2015. An original and nine (9) copies of written comments must be filed with the Clerk.

The proposal is on file for review at the PUC's office and at the office of Schacht & McElroy, 21 Dryden Lane, Providence, Rhode Island. The filing can also be accessed at www.ripuc.org under Commission Docket Menu, Docket No. 4373. Reference is made to Chapters 39-1, 39-3 and 42-35 of the RI General Laws.

Luly E. Massaro, Commission Clerk
December 19, 2015