

INTERSTATE NAVIGATION COMPANY

**TESTIMONY AND DATA IN SUPPORT OF  
INTERSTATE NAVIGATION COMPANY'S  
FAST FERRY RATE FILING**

DOCKET No. \_\_\_\_\_

INTERSTATE NAVIGATION COMPANY  
P.O. BOX 5680  
WAKEFIELD, RI 02880

MAY 2020

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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TRANSMITTAL LETTER

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# McElroy & Donaldson

Michael R. McElroy  
Leah J. Donaldson

Attorneys at Law

Michael@McElroyLawOffice.com  
Leah@McElroyLawOffice.com

Members of the Rhode Island  
and Massachusetts Bars

21 Dryden Lane  
Post Office Box 6721  
Providence, RI 02940-6721

(401) 351-4100  
fax (401) 421-5696

May 27, 2020

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

Re: Fast Ferry Rate Filing for Interstate Navigation Company

Dear Luly:

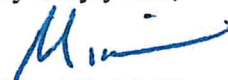
Enclosed are the following:

1. Rate Change Application, with existing rates and proposed new rates attached.
2. Motion seeking expedited approval and waivers.
3. Notice of Filing for your review and approval.
4. Testimony of David G. Bebyn, CPA.

Once you have approved the notice, I will have it published in the Block Island Times and the Providence Journal. I will also have it posted at the ferry terminals on Block Island and in Point Judith.

If you have any questions, please feel free to call.

Very truly yours,



Michael R. McElroy

MRMc:tmg

cc: Susan E. Linda  
Joshua Linda  
David Bebyn, CPA  
Christy Hetherington, Esq.  
Leo Wold, Esq.  
John Bell  
Katherine Merolla, Esq.  
Block Island Town Clerk (CMRRR)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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**RATE CHANGE APPLICATION**

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

**RATE CHANGE APPLICATION**

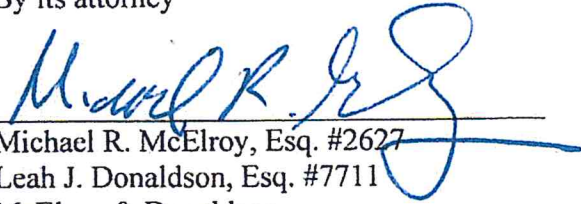
Pursuant to R.I.G.L. § 39-1-1 et seq., Interstate Navigation Company hereby applies for authorization and permission to change its fast ferry rates as shown in the proposed rates attached hereto.

The following is provided pursuant to the Rules of Practice and Procedure (“Rules”):

1. **NAME OF APPLICANT:** The Interstate Navigation Company, a Connecticut Corporation licensed to do business in Rhode Island.
2. **PLACE OF BUSINESS:** The Company’s principal Rhode Island operations are in Point Judith and Block Island. The Company’s Administrative Offices are at 316 Great Island Road, Narragansett, RI 02882. Its mailing address is P.O. Box 5680, Wakefield, RI 02880.
3. **NOTICES:** Correspondence or communications in regard to this Application should be addressed to:

Michael R. McElroy, Esq.  
McElroy & Donaldson  
21 Dryden Lane  
P.O. Box 6721  
Providence, RI 02940-6721  
T: (401) 351-4100  
F: (401) 421-5696  
Email: [Michael@McElroyLawOffice.com](mailto:Michael@McElroyLawOffice.com)

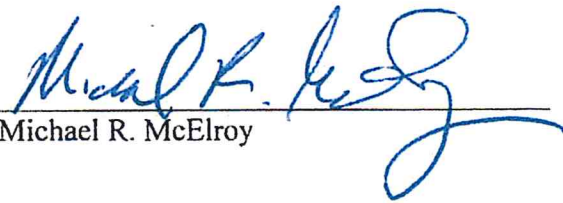
Respectfully submitted,  
INTERSTATE NAVIGATION COMPANY  
By its attorney



Michael R. McElroy, Esq. #2627  
Leah J. Donaldson, Esq. #7711  
McElroy & Donaldson  
21 Dryden Lane  
P.O. Box 6721  
Providence, RI 02940-6721  
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[Michael@McElroyLawOffice.com](mailto:Michael@McElroyLawOffice.com)  
[Leah@McElroyLawOffice.com](mailto:Leah@McElroyLawOffice.com)

VERIFICATION

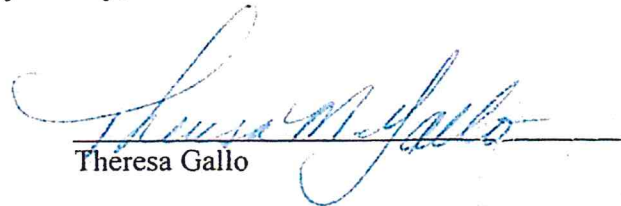
Michael R. McElroy, being first duly sworn, deposes and says that the information presented in this Application is true to the best of his knowledge, information, and belief.



Michael R. McElroy

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

Sworn to and subscribed before me this 27<sup>th</sup> day of May, 2020.



Theresa Gallo

*Interstate 2020 Fast Ferry Rates Rate Change Application 4*



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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**INTERSTATE'S MOTION SEEKING EXPEDITED APPROVAL OF  
REVISED FAST FERRY RATES AND WAIVERS**

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

**MOTION OF INTERSTATE NAVIGATION COMPANY**  
**SEEKING EXPEDITED APPROVAL OF REVISED**  
**FAST FERRY RATES AND WAIVERS**

Interstate Navigation Company (Interstate) operates a seasonal discretionary fast ferry passenger service between Point Judith and Block Island.

Fast Ferry rates have not changed since 2016. Interstate wishes to revise its Point Judith to Block Island fast ferry rates, and Interstate respectfully requests expedited approval of this rate filing so that the rates will be effective in thirty (30) days, due to the coronavirus pandemic.

The proposed revised rates would increase the Point Judith to Block Island adult fast adult ferry rates to \$25 one-way (\$50 round-trip). Child fast ferry rates would increase to \$15 one-way (\$30 round-trip). The frequent user booklets and the volume discounts will be discontinued. All other fast ferry rates will remain unchanged.

Interstate is also asking, pursuant to R.I.G.L. § 39-3-12, that the Commission approve the revised fast ferry rates and tariffs and:

“ . . . allow changes within less time than required by the notice specified in § 39-3-11, and without holding the hearing and investigation therein provided for, or modify the requirements of § 39-3-11 with respect to filing and publishing tariffs either in the particular instance or by general order applicable to special or particular circumstances or conditions . . . ”

Pursuant to this statutory authority, Interstate seeks a waiver of the hearing and investigation requirements of R.I.G.L. § 39-3-11 and § 39-3-12 relative to the rates for its fast ferry service. Interstate also requests that it be granted an exemption/waiver from the rate filing requirements of Part 5 of the Commission’s Rules of Practice and Procedure.

In Order No. 22415 in Docket No. 4598 dated May 20, 2016, the Commission approved Interstate's last fast ferry rate increase and ruled:

"The Commission further found that a comprehensive rate proceeding was not required in this matter and therefore exercises its option under R.I. Gen. Laws § 39-3-12, finding good cause to exist to waive further investigation, further notice and public hearing, based upon the fact that the services, proposed by the applicant, do not constitute "lifeline" ferry services to an isolated ratepayer population. (at 2).

Interstate's fast ferry does not, nor is it required to, provide lifeline service. Interstate's fast ferry service is purely discretionary. It offers only passenger and bicycle service. It does not transport passenger cars. It is a matter of choice for consumers to utilize the fast ferry during the summer season to visit Block Island.

In contrast, Interstate also provides year-round, lifeline service. That service is necessary for residents of the Town of New Shoreham. It operates under separate tariffs applicable to the ferries that also transport vehicles and freight. The rates and charges for the lifeline service are not at issue in this case.

Finally, the profits from the fast ferry provide a benefit to the traditional, i.e., lifeline, service. Therefore, the lifeline service will not suffer from any competition resulting from the fast ferry alternative.

These new rates will apply only to Interstate's seasonal fast ferry passenger service (which is a purely discretionary service) between Point Judith and Block Island. They will not apply to Interstate's traditional lifeline ferry service or to Interstate's fast ferry service between Newport and Block Island.

In Docket No. 3495, this Commission likened fast ferry summer service to Block Island to a competitive local exchange carrier ("CLEC") because consumers have the discretion to choose the service.

This Commission has determined that fast ferry service is not a lifeline service and that the service is purely discretionary. This Commission has ruled that Interstate's fast ferry service should have the flexibility to set its own rates as long as the rates are not anti-competitive.

In a Memorandum dated March 4, 2016 in Docket 4598, the Division explained its recommended approval of the last fast ferry increase as follows:

In Docket 3762, which was Interstate Navigation's 2006 general rate filing, the Division and the Company reached a settlement on all issues in the case including the fast ferry rates and terms and conditions. Section III.E. of the settlement stated:

The Fast Ferry service is a purely discretionary service. Therefore, 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, and will not request compliance with any traditional rate filing requirements other than the thirty (30) day notice.

In its Decision in this docket, the Commission approved the settlement reached between Interstate and the Division.

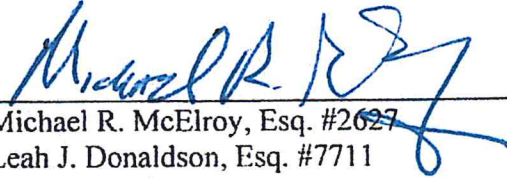
As stated in the settlement, the Division agreed not to object to any change to the Fast Ferry Rates except in extraordinary circumstances. Currently there are no extraordinary circumstances that we are aware of that would cause the Division to object to Interstate's filing in this docket. As such, the Division has no objection to Interstate's proposed new rates and recommends the Commission approve the revised rates as filed.

Interstate is not requesting a waiver of notice of this filing (in a form to be approved by the Commission) to be published in its service territory within 10 days after the rate filing. A proposed notice has been sent for review and approval to the Commission Clerk. Upon approval, the notice will be published in the *Block Island Times* and the *Providence Journal* and posted at Interstate's ticket booths in both Point Judith and Block Island.

The existing fast ferry rates are attached to the Application. The proposed new fast ferry rates are also attached to the Application.

Accordingly, Interstate respectfully requests that the proposed revised fast ferry rates be approved by the Commission as filed, to become effective in thirty (30) days, without suspension.

Respectfully submitted,  
INTERSTATE NAVIGATION COMPANY  
By its attorney



Michael R. McElroy, Esq. #2627

Leah J. Donaldson, Esq. #7711

McElroy & Donaldson

21 Dryden Lane

P.O. Box 6721

Providence, RI 02940-6721

(401) 351-4100 / Fax: (401) 421-5696

[Michael@McElroyLawOffice.com](mailto:Michael@McElroyLawOffice.com)

[Leah@McElroyLawOffice.com](mailto:Leah@McElroyLawOffice.com)

**CERTIFICATE OF SERVICE**

I hereby certify that on the 27<sup>th</sup> day of May, 2020, I sent a true copy of the foregoing to the recipients below.

Leo Wold, Esq.  
Division of Public Utilities and Carriers  
89 Jefferson Boulevard  
Warwick, RI 028988

Block Island Town Clerk (CMRRR)  
P.O. Drawer 220  
Block Island, RI 02807

Christy Hetherington, Esq.  
Office of the Attorney General  
150 South Main Street  
Providence, RI 02903

Katherine Merolla, Esq.  
Merolla & Accetturo  
469 Centerville Road, Suite 206  
Warwick, RI 02886

  
\_\_\_\_\_  
Theresa Gallo

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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NOTICE OF FILING

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## NOTICE OF FILING

The Interstate Navigation Company (“Interstate”) hereby gives notice that on May 27, 2020, Interstate filed with the Rhode Island Public Utilities Commission (the “Commission”) proposed revised rates for its high-speed ferry service between Point Judith and Block Island. (Docket No. \_\_\_\_). These rates will apply only to Interstate’s seasonal discretionary high-speed ferry passenger service between Point Judith and Block Island, and will not apply to its year-round conventional passenger and freight ferry service or to Interstate’s high speed ferry service between Newport and Block Island. The proposed revised rates, if approved, would increase high-speed ferry ticket prices to \$25 one-way (\$50 round trip) for adults and \$15 one-way (\$30 round-trip). The frequent user booklets and the volume discounts will be discontinued. All other existing fast ferry rates will remain unchanged.

The Commission can suspend the proposed rates if it chooses to do so. However, Interstate is asking that these new rates be allowed to go into effect in thirty (30) days, without suspension or hearing.

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

Interstate Navigation Company

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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**EXISTING RATES**

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EXISTING RATES

STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. \_\_\_\_\_

INTERSTATE NAVIGATION COMPANY

LOCAL FAST FERRY TARIFFS

Naming

PASSENGER RATES  
APPLYING BETWEEN  
POINTS AND PLACES IN THE STATE OF  
RHODE ISLAND

(As indicated herein)

EFFECTIVE: May 1, 2016

ISSUED BY:

Interstate Navigation Company  
Susan Linda, President  
P.O. Box 5680  
Wakefield, RI 02880

**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:**

1.     Baggage may be either personal or sales sample cases defined as follows: Personal luggage or baggage consisting 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 the salesman containing samples or articles or merchandise for sale and for future transportation and not articles for immediate sale forthwith.
2.     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.
3.     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.
4.     No items considered to be freight may be transported on the fast ferry.

**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:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 25            DAMAGE TO AUTOMOBILES IN TRANSIT:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 30            ROUND TRIP TICKET:**

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

**RULE NO. 35            OVERSIZED VEHICLES:**

This rule is not applicable for the fast ferry at this time.

**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:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 60            CAR RESERVATION CANCELLATIONS:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 65            VEHICLE OVERHANG CHARGE:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 70            NON-STANDARD VEHICLE CHARGES:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 75            BLOCK TICKET SALES CHARGE:**

There is a \$15.00 block ticket sales service charge for all block sales of 25 or more tickets (e.g., weddings, corporate outings and other such events).

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

For all online internet ticket sales, there is a \$2.00 convenience fee per transaction .

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

There is a \$10.00 charge for all lost tickets which are replaced (each way).

**RULE NO. 90      GROUP DISCOUNTS:**

Not required at this time because of the Volume Discount rate elsewhere in this tariff.

PASSENGER RATES

1.      ROUTE:

Between Galilee and Block Island  
Between Block Island and Galilee

2.      FARES:

a.      Individual Tickets

Adult one-way	\$19.50
Adult round trip	\$37.00
Child one-way	\$12.75
Child round trip	\$21.50

b.      Frequent User Booklets

Adult	10 round trips (or 20 one-way)	\$348.50
Child	10 round trips (or 20 one-way)	\$200.00

c.      Season's Pass

Not requested

d.      Volume Discount (Adult Round Trip)

May/June & September/October

Monday – Thursday	Adult	\$26.50
Friday, Sat. & Sun.	Adult	\$30.00

July & August

Monday – Thursday	Adult	\$31.75
Friday, Sat. & Sun.	Adult	\$33.50

Holidays, use Friday, Saturday, & Sunday rates

This rate is available to groups that book a group reservation at least two weeks prior to departure date through the group sales office.

NOTE a. The passenger rates for children 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 apply. Children four (4) years of age and under when accompanied by an adult will be transported one-way for \$7.00 and round-trip for \$12.00.

NOTE b. Applicable municipal landing fees will be added.

NOTE c. All Tickets are open ended. However, passengers will be asked for a return date and time, which will be printed on the boarding pass (for seating purposes). If the passenger's travel plans change, they must redeem the issued boarding pass at an Interstate ticket office for a new one, subject to seating availability on a particular departure. This means that passengers who change travel plans on busy weekends, for example, travel on a standby, first come first serve basis.

Because Frequent User Booklet holders will be allowed to proceed directly to the gate for boarding, it is recommended that at times of heavy traffic volume they check in at the ticket office before boarding, or call in advance to reserve a seat. All tickets, including Frequent User Booklets, must be used during the season they are issued.

NOTE d. The Season's Passes note is not needed at this time.

NOTE e. Volume Discounts are available only to passengers traveling in groups of 25 or more persons.

#### STANDARD BICYCLE RATES

One-way	\$ 4.00
Round Trip	\$ 8.00

#### TANDEM BIKE OR BIKE WITH BACK WHEELED ATTACHMENT

One-way	\$ 7.00
Round Trip	\$14.00

#### SURFBOARDS

One-way	\$ 8.00
Round Trip	\$16.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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**PROPOSED RATES**

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**PROPOSED RATES – RED-LINED**

STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. \_\_\_\_\_

INTERSTATE NAVIGATION COMPANY

LOCAL FAST FERRY TARIFFS

Naming

PASSENGER RATES  
APPLYING BETWEEN  
POINTS AND PLACES IN THE STATE OF  
RHODE ISLAND

(As indicated herein)

EFFECTIVE: \_\_\_\_\_, 2020

ISSUED BY:

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Susan Linda, President  
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6.     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.
7.     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.
8.     No items considered to be freight may be transported on the fast ferry.

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This rule is not applicable for the fast ferry at this time.

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For all online internet ticket sales, there is a \$2.00 convenience fee per transaction .

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There is a \$10.00 charge for all lost tickets which are replaced (each way).

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Not required at this time because of the Volume Discount rate elsewhere in this tariff.

PASSENGER RATES

1.      ROUTE:

Between Galilee and Block Island  
Between Block Island and Galilee

2.      FARES:

a.      Individual Tickets

Adult one-way	<del>\$19.50</del> 25.00
Adult round trip	<del>\$37.00</del> 50.00
Child one-way	<del>\$12.75</del> 15.00
Child round trip	<del>\$21.50</del> 30.00

b.      Frequent User Booklets

~~Discontinued~~

~~Adult      10 round trips (or 20 one-way)      \$348.50~~

~~Child      10 round trips (or 20 one-way)      \$200.00~~

c.      Season's Pass

Not requested

d.      Volume Discount (Adult Round Trip)

~~Discontinued~~

~~May/June & September/October~~

~~Monday Thursday Adult \$26.50~~

~~Friday, Sat. & Sun. Adult \$30.00~~

~~July & August~~

~~Monday Thursday Adult \$31.75~~

~~Friday, Sat. & Sun. Adult \$33.50~~

~~Holidays, use Friday, Saturday, & Sunday rates~~

~~This rate is available to groups that book a group reservation at least two weeks prior to departure date through the group sales office.~~

NOTE a. The passenger rates for children 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 apply. Children four (4) years of age and under when accompanied by an adult will be transported one-way for \$7.00 and round-trip for \$12.00.

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~~Because Frequent User Booklet holders will be allowed to proceed directly to the gate for boarding, it is recommended that at times of heavy traffic volume they check in at the ticket office before boarding, or call in advance to reserve a seat. All tickets, including Frequent User Booklets, must be used during the season they are issued.~~

NOTE d. The Season's Passes note is not needed at this time.

~~NOTE e. Volume Discounts are available only to passengers traveling in groups of 25 or more persons.~~

#### STANDARD BICYCLE RATES

One-way \$ 4.00  
Round Trip \$ 8.00

#### TANDEM BIKE OR BIKE WITH BACK WHEELED ATTACHMENT

One-way \$ 7.00  
Round Trip \$14.00

#### SURFBOARDS

One-way \$ 8.00  
Round Trip \$16.00

PROPOSED RATES – CLEAN

STATE OF RHODE ISLAND

PUBLIC UTILITIES COMMISSION

Docket No. \_\_\_\_\_

INTERSTATE NAVIGATION COMPANY

LOCAL FAST FERRY TARIFFS

Naming

PASSENGER RATES  
APPLYING BETWEEN  
POINTS AND PLACES IN THE STATE OF  
RHODE ISLAND

(As indicated herein)

EFFECTIVE: \_\_\_\_\_, 2020

ISSUED BY:

Interstate Navigation Company  
Susan Linda, President  
P.O. Box 5680  
Wakefield, RI 02880

**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:**

1.     Baggage may be either personal or sales sample cases defined as follows: Personal luggage or baggage consisting 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 the salesman containing samples or articles or merchandise for sale and for future transportation and not articles for immediate sale forthwith.
2.     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.
3.     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.
4.     No items considered to be freight may be transported on the fast ferry.

**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:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 25            DAMAGE TO AUTOMOBILES IN TRANSIT:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 30            ROUND TRIP TICKET:**

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

**RULE NO. 35            OVERSIZED VEHICLES:**

This rule is not applicable for the fast ferry at this time.

**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:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 60            CAR RESERVATION CANCELLATIONS:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 65            VEHICLE OVERHANG CHARGE:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 70            NON-STANDARD VEHICLE CHARGES:**

This rule is not applicable for the fast ferry at this time.

**RULE NO. 75            BLOCK TICKET SALES CHARGE:**

There is a \$15.00 block ticket sales service charge for all block sales of 25 or more tickets (e.g., weddings, corporate outings and other such events).

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

For all online internet ticket sales, there is a \$2.00 convenience fee per transaction .

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

There is a \$10.00 charge for all lost tickets which are replaced (each way).

**RULE NO. 90      GROUP DISCOUNTS:**

Not required at this time because of the Volume Discount rate elsewhere in this tariff.

PASSENGER RATES

1.      ROUTE:

Between Galilee and Block Island  
Between Block Island and Galilee

2.      FARES:

a.      Individual Tickets

Adult one-way	\$25.00
Adult round trip	\$50.00
Child one-way	\$15.00
Child round trip	\$30.00

b.      Frequent User Booklets

Discontinued

c.      Season's Pass

Not requested

d.      Volume Discount (Adult Round Trip)

Discontinued

NOTE a.      The passenger rates for children 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 apply. Children four (4) years of age and under when accompanied by an adult will be transported one-way for \$7.00 and round-trip for \$12.00.

NOTE b.      Applicable municipal landing fees will be added.

NOTE c.      All Tickets are open ended. However, passengers will be asked for a return date and time, which will be printed on the boarding pass (for seating purposes). If the passenger's travel plans change, they must redeem the issued boarding pass at an

Interstate ticket office for a new one, subject to seating availability on a particular departure. This means that passengers who change travel plans on busy weekends, for example, travel on a standby, first come first serve basis.

NOTE d. The Season's Passes note is not needed at this time.

STANDARD BICYCLE RATES

One-way \$ 4.00  
Round Trip \$ 8.00

TANDEM BIKE OR BIKE WITH BACK WHEELED ATTACHMENT

One-way \$ 7.00  
Round Trip \$14.00

SURFBOARDS

One-way \$ 8.00  
Round Trip \$16.00



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: INTERSTATE NAVIGATION COMPANY : DOCKET No.: \_\_\_\_\_  
FAST FERRY RATES :

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**DIRECT TESTIMONY OF DAVID G. BEBYN, CPA**

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FAST FERRY RATE CHANGE TESTIMONY

of

DAVID G. BEBYN, CPA, PRESIDENT

B&E CONSULTING, LLC

For

INTERSTATE NAVIGATION COMPANY

Before

RHODE ISLAND PUBLIC UTILITIES COMMISSION

Docket No. \_\_\_\_\_

May, 2020

1 **Q. Will you please provide your full name and your employer for the record?**

2 A. Yes, my name is David G. Bebyn, CPA. I am the President of B&E Consulting, LLC.  
3 (B&E).

4

5 **Q. Are you the same David G. Bebyn who has previously filed expert accounting and**  
6 **rate testimony for Interstate Navigation Company (Interstate) in previous DPUC**  
7 **and PUC dockets?**

8 A. Yes, I am.

9

10 **Q. Mr. Bebyn, have you testified as an expert accounting and rate witness prior to this**  
11 **docket for other utilities?**

12 A. Yes. I have provided expert testimony on rate related matters before utility commissions  
13 in Rhode Island and Connecticut. Regarding the Rhode Island Public Utilities  
14 Commission, I have filed testimony and testified in the Woonsocket Water Department's  
15 (WWD) Dockets No. 3800, No. 4320 and 4879 and Interstate's general rate filing Docket  
16 No. 4373 in support of the adjusted test year and rate design. I have also filed testimony  
17 on behalf of the Pascoag Utility District in Docket No. 4341, A & R Marine Corp. in  
18 Docket No. 4586, and Kent County Water Authority in Docket 4994. In addition, I filed  
19 testimony in support of Interstate's last fast ferry rate increase in Docket No. 4598.

20

21 **Q. Mr. Bebyn, what is the purpose of your testimony in this docket?**

22 A. Interstate hired B&E to prepare testimony in support of its request for rate relief for its  
23 Point Judith to Block Island Fast Ferry operation. My testimony will provide the

1 information necessary for the DPUC and the PUC to adequately review the filing and for  
2 the PUC to hopefully approve the filing as filed.

3  
4 **Q. What is the subject of this filing?**

5 A. Interstate is requesting approval from the PUC to change its Fast Ferry rates between  
6 Point Judith and Block Island. These rates have not changed since 2016. In this  
7 testimony, I will provide the reasoning for the proposed rate change.

8  
9 Interstate’s Fast Ferry operation has been described by the PUC as follows: “customers  
10 have the discretion to choose the service,” the fast ferry service “does not provide lifeline  
11 service” and the service is “purely discretionary” (page 3 of PUC Order in Docket No.  
12 3599). Based on this description, Interstate believes that new Fast Ferry rates can be  
13 approved by the PUC subject to a far lesser review by the DPUC and the PUC and the  
14 new Fast Ferry rates can be implemented without holding hearings.

15  
16 **Q. What Fast Ferry rate changes are being requested in this filing?**

17 A. Interstate is asking to increase the Fast Ferry ticket rates as follows:

18

<b>Type Ticket</b>	<b>Current Rates</b>	<b>Proposed Rates</b>
Adult One Way	\$19.50	\$25.00
Adult Round Trip	\$37.00	\$50.00
Child One Way	\$12.75	\$15.00
Child Round Trip	\$21.50	\$30.00

19  
20 In addition, Interstate is asking to discontinue the frequent user booklets and volume  
21 discounts.

1 **Q. Are there other proposed rate changes?**

2 A. No.

3

4 **Q. Why is Interstate proposing these changes at this time?**

5 A. Due to the coronavirus pandemic, Interstate will be running the fast ferry at reduced  
6 passenger capacity. In order for the fast ferry operation to remain economically viable  
7 with such reduced passenger capacity, it is necessary for the rates to increase to cover  
8 Interstate's expenses such as crew, fuel, insurance, maintenance, repairs, etc. Hopefully,  
9 with these increased rates, the fast ferry operation will still be able to make a profit and  
10 the profit will continue to be used to subsidize the traditional lifeline rates.

11

12 **Q. Does that conclude your testimony?**

13 A. Yes.