

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
89 JEFFERSON BOULEVARD  
WARWICK, RHODE ISLAND 02888**

IN RE: Interstate Navigation Company :  
Petition Regarding Fuel Surcharge : Docket No. D-06-29  
Filed on May 25, 2006 :

**ORDER**

Whereas: On May 25, 2006 the Interstate Navigation Company (“Interstate”) filed a “Petition Regarding Fuel Surcharge” with the Rhode Island Division of Public Utilities and Carriers (“Division”), wherein Interstate seeks Division permission to implement a fuel surcharge for the start up of its fast ferry operations with the *M/V Athena* on Friday, May 26, 2006, at 8:30 a.m.<sup>1</sup>

Whereas: The requested fuel surcharge would apply to tickets sold for the fast ferry from May 26, 2006, through and including June 15, 2006 (which is the end of the current authorized fuel surcharge period<sup>2</sup>). Interstate proposes to charge the same surcharge that is currently approved for its conventional mono-hull ferries for the same period, \$.60 per passenger per one-way trip. Interstate also seeks authority to calculate its fuel surcharge for the period beginning June 15, 2006, and thereafter, by including the fuel burned by the fast ferry as well as an estimated pro-rated additional figure for passengers formerly carried by IHSF.

Whereas: The Division takes administrative notice of the following statute, dockets and decisions, which are instructive in this matter:

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<sup>1</sup> The petition was initially filed electronically at 3:58 p.m. on May 25, 2006.

<sup>2</sup> See Order No. 16701, issued on August 30, 2001.

<u>Dockets</u>	<u>Report &amp; Orders</u>	<u>Statute</u>
Docket No. D-05-06	Order Nos. 18506 and 18597	39-12-13(c)
Docket No. D-06-16	Order No. 18597	
Docket No. D-06-17	Order No. 18597	
Docket No. 01-MC-72	Order No. 16701	

Whereas: The Division has reviewed and considered Interstate's petition and finds the \$.60 fuel surcharge request reasonable. The Division notes that Interstate does not possess any historical data relative to its "high speed" ferry service, as the Division just recently approved the service. Consequently, the existing regulatory methodology for determining an appropriate fuel surcharge for Interstate does not apply. Nevertheless, in view of the circumstances surrounding Interstate's fledgling high-speed ferry service, the Division will authorize an initial fuel surcharge consistent with the fuel surcharge currently authorized for Interstate's conventional ferry services.

Through this decision, the Division only approves a fuel surcharge of \$.60 per one-way trip through and including June 15, 2006. The Division shall also direct Interstate, with respect to any applicable fuel surcharge commencing after June 15, 2006 to include the cost of the fuel used by the fast ferry as well as an estimate of the passengers for the period of the proposed surcharge.

The Division understands that Interstate made a specific proposal relative to the methodology to be used to make passenger counts estimates in fuel surcharge calculations commencing after June 15, 2006. This order, however, does not rule on that part of the instant request, as the Division needs more time to consider the reasonableness of the proposed methodology.

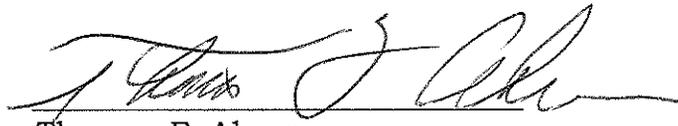
Accordingly, it is

(18621) ORDERED:

1. That the May 25, 2006 petition filing by the Interstate Navigation Company, seeking authority to impose a \$.60 per passenger per one-way trip fuel surcharge for the period May 26, 2006 through and including June 15, 2006, is hereby approved.
2. Interstate is hereby instructed to adhere to the other findings contained herein.

Dated and Effective at Warwick, Rhode Island on May 26, 2006.

  
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John Spirito, Jr., Esq.  
Hearing Officer

APPROVED:   
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Thomas F. Ahern  
Administrator