

**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)
Seeking Authority to Participate in a State-)
Wide Division of Tourism Campaign by) Docket No. D-09-07
Providing a Soft Drink and a Souvenir With)
the Purchase of a Round Trip Ferry Ticket)

ORDER

Whereas: On March 5, 2009, the Rhode Island Division of Public Utilities and Carriers (“Division”) received a petition from the Interstate Navigation Company (“Interstate”), seeking Division approval to participate in a state-wide Division of Tourism campaign by providing a soft drink and a souvenir (total estimated value of approximately \$2.50) with the purchase of a round trip ferry ticket. According to the petition, the Rhode Island Division of Tourism (and Interstate) are concerned that tourism in Rhode Island may be adversely affected by the current significant national economic recession. A state-wide tourism campaign has, therefore, been developed by the Division of Tourism in an effort to maximize tourism in the state and encourage people to spend their tourism dollars in Rhode Island. A number of tourist attractions around the state have already committed to this campaign, and Interstate wishes to be counted among the participants. Interstate makes the instant filing pursuant to Rhode Island General Laws, §§ 39-2-2, 39-2-3, 39-2-4 and 39-2-5.

Whereas: Interstate's proposed participation in the state-wide campaign would involve offering a soft drink and a souvenir (with a total estimated value of \$2.50) with the purchase of a round-trip ticket on Interstate's conventional and fast ferries. This special round-trip ticket will only be sold as part of a tourism package involving other Block Island businesses. Interstate would promote its participation in this initiative through its own website; it will also be promoted through the Division of Tourism website and through state tourism councils.

Whereas: Interstate declares that it agrees to absorb any losses that may result from its participation in the program. It does, however, hope that, given the breadth of this promotion and the advertising associated with the program, there will not be any losses. Interstate also notes that the Division has approved similar discount programs for Interstate in the past.

Whereas: Rhode Island anti-discrimination laws prohibit common carriers from providing free or discounted service (See R.I.G.L. §§ 39-2-2, 39-2-3, 39-2-4). However, the Division may grant related waivers upon a finding that the free or discounted service is "just and reasonable, or required in the interests of the public, and not unjustly discriminatory" (See R.I.G.L. §39-2-5(2)).

Whereas: The Division notes that it has previously approved similar tourism related promotional programs (though sponsored by the Rhode Island Economic Development Corporation rather than the Division of Tourism) for Interstate in 2004 and 2005. As determined in those prior dockets, the


Division again finds the proposed promotion just and reasonable and not unjustly discriminatory.

Accordingly, it is

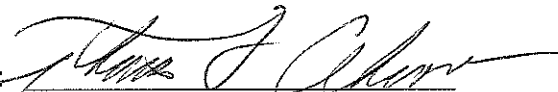
(19588) ORDERED:

1. That the Interstate Navigation Company's March 5, 2009, petition is hereby granted.
2. That revenue losses associated with the discounted service shall be borne by Interstate and its shareholders.

Dated and Effective at Warwick, Rhode Island, on March 9, 2009.



William K. Lueker, Esq.
Senior Legal Counsel

APPROVED: 

Thomas F. Ahern
Administrator