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March 18, 2016

Luly E. Massaro, Clerk
Division of Public Utilities and Carriers
89 Jefferson Boulevard
Warwick, RI 02888

RE: RHODE ISLAND FAST FERRY, INC.
Docket No. D-13-51

Dear Luly:

At the hearing in this matter on Tuesday, March 15, 2016, a request was made to Interstate to produce the actual Newport fast ferry ridership numbers and related information.

Attached are an original and five copies of a schedule prepared by Interstate's regulatory accountant. The schedule was prepared using the same format utilized by Mr. Donadio in Exhibit A attached to his rebuttal testimony.

The schedule shows that the Newport fast ferry service has steadily gained ridership during each year of its operation. In fact, it is no longer operating at a loss, but had a projected profit of \$168,862 for FY 2016. Ridership in the summer of 2015 (FY 2016) was 23,045, which significantly exceeds Interstate's original ridership projection of 17,850.

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

Very truly yours,



Michael R. McElroy

MRMc:tmg

cc: Service List
John Spirito, Esq.

Rhode Island Fast Ferry (RIFF) – CPCN Application Docket No. D-13-51
Updated 11/7/14

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Projected Revenue & Expenses for
New Newport/Fall River Service Only
 Interstate Navigation Company

	Current Rate	Interstate Projections	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Projected
<u>Passenger</u>						
<u>Passenger - Traditional Newport FF Service</u>						
Adult One Way - N to BI	\$ 25.00	16,779	769	1,613	1,345	1,568
Adult Round Trip - N to BI	\$ 50.00	-	2,561	5,145	5,252	6,026
Child One Way - N to BI	\$ 13.00	1,071	149	82	121	85
Child Round Trip - N to BI	\$ 26.00	-	216	505	41	550
Adult One Way - FR to BI	\$ 29.50	-	-	-	314	286
Adult Round Trip - FR to BI	\$ 59.50	-	-	-	1,737	3,658
Child One Way - FR to BI	\$ 15.00	-	-	-	20	16
Child Round Trip - FR to BI	\$ 30.00	-	-	-	90	267
Adult One Way - FR to N	\$ 15.00	-	-	-	19	31
Adult Round Trip - FR to N	\$ 30.00	-	-	-	24	20
Child One Way - FR to N	\$ 7.00	-	-	-	3	3
Child Round Trip - FR to N	\$ 14.00	-	-	-	-	17
Total One Way Trips		<u>17,850</u>	<u>6,472</u>	<u>12,995</u>	<u>16,086</u>	<u>23,045</u>
<u>Revenue</u>						
-Passengers		\$ 433,398	\$ 154,828	\$ 311,771	\$ 415,505	\$ 591,567
-Bikes, Mopeds, etc. & Net Concessions Revenue		<u>16,800</u>	<u>4,200</u>	<u>14,560</u>	<u>21,066</u>	<u>19,182</u>
Total Revenues		<u>\$ 450,198</u>	<u>\$ 159,028</u>	<u>\$ 326,331</u>	<u>\$ 436,571</u>	<u>\$ 610,749</u>
<u>Expense</u>						
Depreciation		\$ 57,653	\$ 57,653	\$ 57,653	\$ 57,653	\$ 57,653
General Repairs and Maintenance		10,000	10,000	140,753	92,589	26,911
Fuel		377,408	377,408	326,775	264,714	158,437
Lube Oil		4,560	4,560	4,545	4,174	4,960
Crew Expense/other vessle & Payroll		77,350	77,350	97,371	117,790	140,285
Wharfage		12,000	12,000	9,200	18,145	18,472
Office		10,000	10,000	743	-	1,119
Insurance		11,500	11,500	33,167	34,050	34,050
Total Expenses		<u>560,471</u>	<u>560,471</u>	<u>670,207</u>	<u>589,115</u>	<u>441,887</u>
Net Income (Loss)		<u>\$ (110,273)</u>	<u>\$ (401,443)</u>	<u>\$ (343,876)</u>	<u>\$ (152,545)</u>	<u>\$ 168,862</u>

* Repairs and Maintenance is much higher due to major mechanical problems they experienced in the first two seasons

FY 2016 Passenger revenue is based on actual revenue while expenditures are projected based upon YTD actual with the remaining year projected using a ratio of current to prior year.