

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

DIVISION OF PUBLIC UTILITIES AND CARRIERS

In Re: Rhode Island Fast Ferry, Inc.

Docket No. D-13-51

PRE-FILED DIRECT TESTIMONY OF KENNETH C. LACOSTE

First Warden

Town of New Shoreham

1. Q. Please state your name.

A. Kenneth C. LaCoste

2. Q. Are you currently an officer of the Town of New Shoreham, Rhode Island?

A. Yes.

3. Q. What office to do you hold?

A. I am the duly elected First Warden of the Town of New Shoreham.

4. Q. Please explain the position of First Warden.

A. Under the New Shoreham Town Charter, the First Warden is a member of the Town Council and is the presiding officer of the Town Council.

5. Q. Did Charles Donadio of Rhode Island Fast Ferry, Inc. make a presentation to the Town Council on August 5, 2013?

A. Yes, Mr. Donadio of Rhode Island Fast Ferry, Inc. made a presentation to the Town Council on August 5, 2013 concerning a proposed passenger ferry service from Quonset Point to Old Harbor.

6. Q. What was the substance of that presentation?

A. On August 5, 2013, Charles Donadio made a verbal presentation to the Town Council regarding the proposed operation of a ferry from Quonset Point to Old Harbor. He stated that he planned a summer-only service, docking in Old Harbor but did not have a landing plan in place.

Mr. Donadio also stated that he believed that the ferry will be at the dock for about an hour and a quarter per day. Ticketing would be onboard so no dockside ticketing facilities are planned. He planned to build a new ferry for the run, approximately 105 feet long with a 32-33 foot beam and a passenger capacity between 150 and 300.

It was stated that the ferry will carry luggage and bicycles but that the transporting of vehicles and freight are not included in the business model. He estimated two to three round trips per day from Memorial Day to Columbus Day, depending on demand.

7. Q. Did the members of the Town Council express concerns regarding Mr. Donadio's plans?

A. Yes, council members expressed concerns as follows:

a. Old Harbor is a relatively small harbor with much traffic in the summer months including the local fishing fleet, the charter fishing fleet, other charter boats, transient wharfage in Old Harbor, pleasure vessels and already existing

ferries. The addition of yet another ferry to that harbor will cause further disruption, crowding and problems with vessel maneuvering. Safety is a serious concern.

b. There is no dock where the Fast Ferry vessel could dock except for possibly Ballard's Wharf; however, the construction and use of that dock is under a CRMC assent which only permits pleasure vessels and then no more than eight boats, with the seaward two boats limited to 26 feet in length.

c. The addition of a new passenger service at a time when the island is already saturated with people is a serious concern.

d. Ferry service rate increases as determined by the Public Utilities Commission cause a hardship to residents of the island. One of the factors which is a component of the Public Utilities Commission's decision to allow a rate increase is the income of Interstate Navigation. Interstate Navigation provides the only ferry service to and from Block Island during the off-season months and serves as a life line from the Town to the mainland for island residents. The revenues which Interstate Navigation obtains from the in-season period of Memorial Day to Columbus Day support the off-season ferry service. Rhode Island Fast Ferry plans to operate only from Memorial Day to Columbus Day, depending on demand and, if allowed to operate, would divert significant revenues from Interstate Navigation, thus resulting in either another rate increase for Town residents or a substantial reduction in service during the off-season months.

8. Q. Did Charles Donadio of Rhode Island Fast Ferry, Inc. make a presentation to the Town Council on September 18, 2013?

A. Yes, Mr. Donadio of Rhode Island Fast Ferry, Inc. made a presentation to the Town Council on September 18, 2013 concerning a proposed passenger ferry service from Quonset Point to Old Harbor.

6. Q. What was the substance of that presentation?

A. On September 18 2013, Charles Donadio of Rhode Island Fast Ferry, Inc. made a verbal presentation to the Town Council regarding the operation of a ferry from Quonset Point to Old Harbor. He stated that Interstate Navigation would not allow Rhode Island High Speed Ferry to use its docks. He then presented information on a grant program for passenger ferries. He suggested that the Town apply for a grant to fund construction of a dock.

Mr. Donadio also stated that he was seeking the Town's support and that he "wants a positive relationship" with the Town and is "not planning on fighting the Town," that he does "not want to get involved in a big battle with the Town." He further stated: "I want a good relationship with the Town so it's important for me to know how you stand and what you want to do because I want to go through this process with you as a partner." He said he "is not going to force a ferry service on this island."

7. Q. Did the New Shoreham Town Council vote on whether to support the Rhode Island Fast Ferry, Inc. proposed ferry service from Quonset Point to Old Harbor, Block Island?
- A. Yes, First Warden Gaffett moved to oppose the application because the dockage area had not been identified, the associated upland service area had not been identified, it does not meet island needs for year round service, it does not meet island needs for carrying freight, and there are concerns about the effect on the lifeline service. This motion carried and the New Shoreham Town Council voted to oppose the application on behalf of the citizens of the Town.
8. Q. Did the Town request that Rhode Island Fast Ferry, Inc. honor Mr. Donadio's commitment to the Town Council that it would not pursue an application for the ferry service if the Town opposed the application?
- A. Yes, the Town, through its solicitor, both orally and in writing requested that the Rhode Island Fast Ferry, Inc. withdraw its application before the Division relating to a certificate for ferry service from Quonset Point to the island.
9. Q. Did Rhode Island Fast Ferry, Inc. honor Mr. Donadio's representations to the Town Council that it would not pursue an application for the ferry service if the Town opposed the application?

A. No, the Rhode Island Fast Ferry, Inc. refused to withdraw its application before the Division relating to a certificate for ferry service from Quonset Point to the island.

10. Q. Does that conclude your direct testimony?

A. Yes.

Date: 2/3/15

Kenneth C. Lacoste

Kenneth C. Lacoste, First Warden