

**GOVERNMENT OF THE VIRGIN ISLANDS
OF THE UNITED STATES**

Public Services Commission

In re

TRANSPORTATION SERVICES OF)	Docket No. 640
ST. JOHN, INC. AND VARLACK VENTURES,)	Order No. <u>47</u> /2018
INC. RATE INVESTIGATION)	
_____)	

ORDER

WHEREAS, on June 18, 2008, following public notice and meeting, the Public Services Commission, by Order No. 41/2008, set the schedule for the services of Transportation Services of St. John, Inc. and Varlack Ventures, Inc. (hereinafter "Ferry Franchisees" or "Ferry Companies") between St. Thomas and St. John as follows:

Red Hook-Cruz Bay

First Ferry: 5:30 a.m.
6:30 a.m.
7:30 a.m.
8:00 a.m.
Then every hour on the hour
Last Ferry: 12:00 Midnight

Cruz Bay-Red Hook

First Ferry: 6:00 a.m.
Then every hour on the hour
Last Ferry: 11:00 p.m.

Cruz Bay-Charlotte Amalie

First Ferry: 7:15 a.m.
9:15 a.m.
1:15 p.m.
2:15 p.m.
Last Ferry: 3:00 p.m.

Charlotte Amalie-Cruz Bay

First Ferry: 9:00 a.m.
11:00 a.m.
1:00 p.m.
3:00 p.m.

4:00 p.m.
Last Ferry: 5:30 p.m.

WHEREAS, in all subsequent proceedings this schedule has been maintained as the core responsibility of the Franchisees and the basis of the existing rates; and

WHEREAS, in September 2017 the Virgin Islands suffered the twin impacts of Hurricanes Irma and Maria (“the Storms”); and

WHEREAS, as a direct result of these storms, the Ferry Companies were required to suspend service until the United States Coast Guard (hereinafter “USCG”) inspected and cleared the route(s) between St. Thomas and St. John; and

WHEREAS, after the USCG inspected and cleared the route(s) between St. Thomas and St. John, ferry service was partially restored; and

WHEREAS, the Ferry Companies suffered losses due to various factors including damage to vessels, the imposition of a curfew, loss of employees, guidelines by the USCG and the Department of Homeland Security, lack of navigational lighting at docking facilities and the availability of fuel and water, the Commission provided an interim rate during the hurricane recovery period to assist the Franchisees; and

WHEREAS, it has now been a full year since the impact of the storms, and St. John relies on the ferries for much of its commerce and daily life; and

WHEREAS, after notice and opportunity to appear before the Commission at both its June 15, 2018 and August 21, 2018 meetings; and

WHEREAS, after receipt of a status report from Varlack Ventures dated August 20, 2018 and a report and testimony from Transportation Services dated August 21, 2018; and the testimony of the Department of Tourism at the Commission’s meeting of August 21, 2018;

NOW THEREFORE, the Commission **ORDERS** that:

1. The Franchisees shall restore full ferry service no later than October 1, 2018; and
2. If such service is not restored, a fine of \$1,000.00 (One Thousand Dollars) per day for each ferry franchisee shall be imposed.

So Ordered.

Date: **September 20, 2018**

For the Commission,


Raymond J. Williams, Chair