

Division of Public Utilities and Carriers
Interstate Navigation Company Application to Change Rates
Docket 4373
First Data Request of the Division to Interstate

December 17, 2012

1. Referring to Schedule WEE-2, please explain why Mr. Edge believes that \$208,357 is the appropriate amount of the Fast Ferry “subsidy” to include in miscellaneous revenues.
2. Referring to Schedule WEE-2a, please provide all documentation, workpapers, and calculations supporting the Newport High Speed Service expenses.
3. Referring to Schedule WEE-2a, please reconcile the loss on Newport High Speed Service to the Newport High Speed Service cost of \$78,799 on Schedule DGB-8, Page 2.
4. Referring to Schedule WEE-4, please explain why the FICA expense is greater than 7.65% of the payroll.
5. Referring to Schedule WEE-5, if the pension funding rate is 3%, why is the actual test year profit sharing expense of \$55,000 less than 3% of the payroll expense for the year?
6. Referring to Schedule WEE-5, please provide documentation supporting each element of health insurance at current rates.
7. Referring to Schedule WEE-5, please provide all support for the assumed escalation rate of 15% for health insurance.
8. Referring to Schedule WEE-6, please provide all workpapers and documentation, including the depreciation lapse schedules, supporting the depreciation expense for each of the periods indicated.
9. Referring to Schedule WEE-7, please provide the basis of the Fast Ferry allocation.
10. Referring to Schedule WEE-8, why is it assumed that there will be no Homeland Security grant revenue after the test year?
11. Referring to Schedule WEE-9, please provide documentation and workpapers supporting the Calendar Year 2012 advertising program.
12. Referring to Schedule WEE-10, what is the basis for the projected 5% increase in advertising?
13. Referring to Schedule DGB-3, please explain why the total fuel expense at the top half of the page is \$1,495,671 whereas the total fuel expense before adjustment at the bottom half of the page is \$1,476,065.

14. Referring to Schedule DGB-3, please provide Schedule DGB-5b, referenced in Footnote (A).
15. Referring to Edge testimony, page 22, please provide workpapers and calculations supporting each element of rate case expense.
16. Referring to Edge testimony, page 22, what was the amount of each element of rate case expense in Docket No. 3762?
17. Referring to Schedule WEE-3, page 2, please provide calculations supporting the gross receipts tax of \$125,110.
18. Referring to Schedule WEE-11, please provide documentation supporting the Newport Run Islander Vessel plant of \$441,330.
19. Referring to Schedule WEE-11, please provide all workpapers and documentation supporting the Islander Upgrades of \$1,000,000.
20. Referring to Schedule WEE-11, please provide all workpapers and documentation supporting the New Office Building of \$1,000,000.
21. Please provide any economic justification for the New Office Building of \$1,000,000 prepared by or for the Company.
22. Referring to Schedule BGB-7, please provide the net book value of each element of the MV-Nelseco capital assets as of May 31, 2012.
23. Referring to Joshua Linda testimony, page 5, lines 21-22, please provide the estimated net proceeds from the sale of the MV-Nelseco, with any associated documentation and calculations.
24. Referring to Joshua Linda testimony, page 6, lines 16-19, please provide the projections, with all associated documentation and workpapers, of the MV Islander revenues and expenses for the next three years.
25. Referring to Schedule WEE-11, please explain why no accumulated deferred income taxes are deducted from rate base.
26. Referring to Schedule WEE-12, please reconcile the debt outstanding as of May 31, 2012 to the "Current Long Term Debt" used in the rate year capital structure. The response should show how the rate year balances were developed.
27. Referring to Schedule WEE-12, please provide the actual long term debt balances outstanding, and the interest rates on those balances, as of the latest date available.

28. Referring to Schedule WEE-12, the “Equity” appears to reflect the Unappropriated Retained Earnings as of May 31, 2012 (Annual Report, Page 5a) with no recognition of the Common Stock, Other Paid-in Capital, or Treasury Stock as of May 31, 2012. Please explain why the Company believes that this is appropriate.
29. Referring to Schedule WEE-12, please explain the basis of the 32% income tax rate used in the income tax calculation.
30. Referring to Schedule DGB-4, please provide documentation supporting the revenues for Nelseco and Conventional Revenues.
31. Please provide all workpapers and documentation supporting Schedule DGB-1.
32. Referring to Schedule DGB-8D, please explain how the allocators for Homeland Security were developed.
33. Referring to Schedule DGB-9A, please explain how the allocation of Dock Costs was developed.
34. Referring to Schedule DGB-9B, please explain how square footage for each service classification was measured. The response should include any associated documentation and workpapers.
35. Referring to Schedule DGB-9B, please provide the number of round trips by month for each vessel.