Public Comment on Proposed Freight Rate Increases

1. Finance Committee Proposal for Freight Increases (Peter Frager, Diamond Cove)

From: Peter Frager | To: Public Comment (comment@cascobaylines.com) | Tuesday, September 22, 2026, 5:51 AM

Good Morning,

First off, I would like to say that this is an important topic for conversation, and it is a rate increase that I believe is long overdue considering it has been 17 years since the last freight rate increase. During that time the costs to operate freight have gone up in the maritime industry over 107% (conservative) and meanwhile CBL has stayed painfully still during that time, which I am sure has made other fiscal decisions difficult over that period (paying mariners, benefits increases, equipment upgrades, etc.)

That said, I was reading over the presentation made on September 16th and a few things caught my eye. First, why were fixed costs and fuel empty for Peaks Island (slide 7) with a note saying they operate on their dedicated vessel Machigonne? It is true that a lions share of the service is operated on the Machigonne throughout the week, and soon its to be the Battery Steele with far less fuel costs than before, but the fact remains that as the oldest vessel in the fleet with the oldest engines, its does cost a significant amount in fuel to operate, and has a crew of 3 to 4, to as many as 5 in the summer to operate. Yet fixed costs for freight are set at 290K? Seems rather improbable, and I understand these are estimates even though calculating total fuel and crew to operate should be relatively easy, and the Machigonne does have a significant advantage in using forklifts over cranes and the fact a lot of freight is carried in vehicles and not in carts. But that also brings up the fact that whichever boat takes over when the Machigonne isnt used on Monday and Tuesday is one of the boats used for the downbay and is counted against the downbay islands. I calculated that about 10% of the time a boat that is not the Machigonne is used to go to Peaks, and I am sure freight doesn't just stop because its not the Machigonne. Also, the 12pm run stops at Peaks to offload excess freight a significant number of times as well in the summer and I have even seen it in the dead of winter (5 times last year, I ride that run pretty often) so that is also an added to fixed costs run to Peaks that I doubt are

reflected correctly. All Im saying is, I very much doubt Peaks Island pays 132% of costs to ship freight. Just curious how we got there because there seem to be a lot of variables that were guestimated in order to make the math easier.

By the way, that is in no way a dig on the person who made those guestimates, or put this presentation together. Its a very well put together presentation, and calculating freight vs. vehicle vs. passenger on a mixed service is an absolute nightmare that I have had to deal with a couple times when dealing with government bean counters at Military Sealift Command. So kudos to whoever put this together.

I was also wondering about why you have to estimate wear and cost on equipment? Does the district have a planned maintenance and repair system program for the engineers? Ive worked across many different sectors of the maritime industry, and now as a sailing Port Engineer, I can tell you down to the dollar amount vs. ton of product carried how much equipment costs due to this vital program. It might cost some money to implement, but if you cannot get a direct cost analysis on equipment per vessel, I would recommend the district look into purchasing this. In the long run its been proven to save time and time again, even for short run ferries like the Staten Island and Massachusetts Steamship Authority.

Finally, it was asked in one of the meetings if the rate increases should be geared more heavily during the peak vs. off-peak seasons? I would like to emphatically say yes, it should absolutely skew more towards the peak season vs. the off-peak season. I understand that for year round residents that no matter what we do, things we ship to and from the islands are going to cost more, its a fact of life and there should be rate increases of a small amount on off-peak rates. But for those who live year round, they have to deal with the burden of increasingly costly home heating prices that the peak seasoners do not have to deal with. And lets also be honest with ourselves, most of these people coming during the peak season are visiting their 2nd or 3rd homes, they can afford a higher rate increase. Plus the district should take every advantage to make as much money as is humanly possible during the times when its the busiest to offset the times when it might not be so busy.

I will say, I often read in the comments posted for certain issues about families who have been on the islands for generations who might be struggling, and I wonder if there were some way to allocate reduced rates for them, or start a fund, or do fundraising...I dunno. Something. Maybe its something the board looks into for the future. I know there was a Maine fund to help struggling year round islanders that got paid to Maine State Ferry years ago, and I wonder if its still running.

Anyways, thats just my two cents, and thank you for your time and service on the BOD.

Very Respectfully,

Peter Frager

- Diamond Cove

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From: Public Comment (Ben Dinsmore) | To: Peter Frager | Tuesday, September 22, 2026, 10:42 AM

Hi Peter,

Thank you for your thoughtful comments and for your questions.

Regarding slide 7, fuel is included in the "Total Cost" of the Peaks line (I'll update the slide to reflect this). Unlike the Down Bay Islands, we didn't add a separate distance surcharge for fuel because all fuel used by the Machigonne counts against Peaks.

You're also right that the Machigonne is more expensive to maintain and requires more crew, however, we estimate the freight portion of expenses for the Machigonne to be only 8% of its overall operating costs, compared with 49% for the Maquoit (see slides 4 and 5).

You're also right about other vessels carrying freight to Peaks. We accounted for this by attributing 5% of the Maquoits freight costs to Peaks based on staff estimates of freight volume compared to what is carried on the Machigonne. This is where the total of $290K comes from, $232K comes from the Machigonne's apportionment of freight costs, and $58K comes from 5% of Maquoit's $1.15M freight costs. I'll update the slides to make this clear.

And thank you appreciating the complexities of this analysis. These were indeed estimates but they were educated looking at variables including the allocation of crew labor on a specific vessel, and freight specific equipment costs. As stated in the presentation, the analysis allocates total expenses to vessels by hours and within each vessel to service categories using staff judgment about deck space, crew labor, and equipment wear. The result tells us the order of magnitude of how each service contributes to the operating picture, not exact dollar amounts. Certainly not a precise measurement, but I'm confident in the suggestion that we need to raise freight rates significantly and it is challenging that freight rates have remained so low for so long.

We do use a planned maintenance system (Vessel Vanguard), but it is not nearly as robust as the enterprise level system you use at MSC or that I used at Seadrill and Transocean. We use it to plan some maintenance, like engine overhauls, oil changes, etc, but we are just starting to untap its potential as far as predictive maintenance, etc.

Your comment about peak and off-peak freight rates is also noted and I will be sure to pass on to the board.

Thank you and please let me know if you have any questions. Also happy to meet with you sometime and talk about CBL or maritime related things, or anything else.

Regards,

Ben Dinsmore General Manager Casco Bay Lines

From: Peter Frager | To: Public Comment | Tuesday, September 22, 2026, 12:41 PM

Good Afternoon Ben,

Thank you so much for getting back so quickly with answers to those questions. The math does make more sense now, and thats great that those considerations for other boats carrying to Peaks was added. So I will retract my statement about Peaks not being at 132%, maybe they are. In that case, it does make sense to have reduced rates to Peaks in the future, a note you can also articulate to the board for me.

Vessel Vanguard is a pretty cool system, they had it at Great Lakes Dredge and Dock when I subbed in for them. I will say their system for estimating future costs is rough sometimes, and I don't remember if they had a hierarchy system designed for parts/fuel/drydock costs for comparative results boat to boat. That is a useful tool as it can make very accurate cost analysis for you from boat to boat and year to year that are pretty accurate based on current events that are happening. Sorry, its a nerdy thing, but when it gets locked in it can be very helpful.

One other thing I forgot to mention was that in your presentation it was asked should this be implemented all at once or over a 24 month period? I have to say that with the district falling behind so badly over the years, such a large deficit year to year due to freight, the prospect of needing another ferry built to replace the Maquoit II, the lead times on boats of that size right now, and the absolute nightmare you all are going to have to find a shipyard to build it within the next 4-7 years, I believe that the entire rate increase should

happen ASAP. It will definitely be a pain felt in the beginning for a lot of people, but I think shrinking the deficit (not at the cost of a reduction of service) and getting that new boat built are of such high importance that it is most certainly warranted.

Anyways, once again, just my two cents. If you see me around the terminal, feel free to say hello. Its always nice when the staff says hello and asks how everything is going and in turn hearing how their lives are going, and how CBL in general is doing. I think you all are doing a terrific job, and I must say that Leah and I have had a great first 4 years as full time islanders in most part due to your fantastic staff both on the boats and in the freight shed/office. So thank you for that.

Look forward to seeing you soon.

Very Respectfully,

Peter Frager

- Diamond Cove

2. Freight rates, Casco Bay (Jake Thornton)

From: Jake Thornton (jake@JPolysourcing.com) | To: Joe Donovan | Tuesday, September 22, 2026, 9:32 AM

Hi Joe,

I spent some more time reviewing the Casco Bay Lines freight analysis and wanted to pass along a few thoughts and some potential solutions.

I agree that freight rates likely need to increase. However, I think CBL has an opportunity to modernize how freight is tracked and priced at the same time, rather than simply applying broad increases based on the current cost-allocation model.

One practical solution would be a barcode-based freight tracking system. Each shipment could be scanned when received at the Portland terminal and tied to basic information such as destination, freight category, customer/carrier, weight, dimensions, quantity, vessel, and amount charged. UPS and FedEx packages already have unique barcodes, so CBL could potentially capture those tracking numbers rather than relabeling every commercial parcel.

This doesn't appear to require an enormous investment. Based on some preliminary research, a pilot system could potentially be implemented in roughly the $20,000–$40,000 range. That could include several rugged handheld scanners, stationary scanners, thermal

label printers, commercial scales, software, setup, and employee training. The exact cost would obviously require proposals from vendors.

I think Long Island could be an excellent route to pilot something like this for 6–12 months.

That data would allow CBL to know exactly how many pieces of freight are moving to Long Island, their weight and approximate cubic volume, the type of freight, who is shipping it, and how much revenue each category generates. It would also provide much better information when negotiating commercial contracts.

I also believe commercial freight rates deserve a significant review. Large-volume contracts with companies such as UPS and FedEx should reflect the actual volume, handling, terminal resources, and transportation capacity their businesses use.

The same applies to commercial and construction freight. Lumber, plywood, sheetrock, cement, pallets, appliances, and other large or heavy items appear to be very inexpensive under the existing rate structure. I believe those categories could withstand substantial increases while everyday residential necessities such as groceries and personal household freight could be treated differently.

Eventually, CBL could use a straightforward pricing formula based on:

- Base handling charge
- Weight and/or cubic volume
- Destination
- Oversized or special handling
- Commercial vs. residential freight
- Peak-season surcharge where appropriate

Most importantly, this would give CBL real data. Instead of primarily allocating a portion of vessel operating costs to freight and then determining cost recovery, CBL would have transaction-level information showing exactly what is moving through the system and what revenue it generates.

If CBL is going to make meaningful changes to freight rates, I think investing $20,000–$40,000 in a pilot that produces better data, greater transparency, and potentially stronger commercial contracts could be money very well spent.

I'd be interested to hear your thoughts and whether anything along these lines has already been discussed.

Thanks,

Jake Thornton

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From: Benjamin Dinsmore | To: Jake Thornton | Cc: Joe Donovan | Friday, September 25, 2026, 9:34 AM

Attachment: Freight Analysis June 2026 Finance Committee.pdf

Hi Jake,

Thank you for your email and suggestions and I agree there are improvement opportunities.

I want to reassure you that CBL's current system already allows us to know how many pieces of freight are moving to each island, how much revenue is generated from each category, who's shipping it, when it shipped, etc. If you haven't had a chance, please check out the freight analysis that was presented earlier in the year. It shows trends for each island over the last three years, which categories are most popular by islands, and even shows the variance based on seasonality. It is also influential in modeling the current proposal before the finance committee. I've attached a copy to this email.

Also, groceries and personal household items are treated differently in the current proposal while appliances, construction goods, and UPS/FedEx parcels are increased substantially more. We're certainly open to specific feedback on where individual categories should be. Have a look at the freight analysis (attached) and feel free to send along suggestions on where you think building supplies, appliances, or any other categories should be relative to the proposal.

I'd also like to hear your thoughts on the different pricing tiers for Down Bay vs Peaks that was proposed, does this seem reasonable?

To your point, there are improvements to be made in the consistency by which staff charge for things and a more standard straightforward pricing strategy may help to improve this, but I'm concerned that postponing a long overdue rate adjustment until we solved the other issue(s) is only going to make matters worse.

Thank you,

Ben Dinsmore General Manager Casco Bay Lines

From: Jake Thornton | To: Benjamin Dinsmore | Cc: Joe Donovan | Friday, September 25, 2026, 1:16 PM

Hi Ben,

Thanks for the response and clarification. I went back through the freight analysis again and have a much better understanding of the information CBL is already tracking. I was definitely overthinking the barcode idea based on what you already have available.

I also agree that the rate increase shouldn't be delayed. If freight rates haven't been adjusted since 2009, inflation alone supports a pretty significant increase, never mind the increases in labor, fuel, insurance and other operating costs over the last 17 years. I like the idea of keeping groceries and basic household items somewhat protected while putting larger increases on commercial freight, building materials, appliances and UPS/FedEx. Building materials in particular seem very inexpensive under the current rates when you consider the weight, space and handling involved.

UPS and FedEx etc. are worth continuing to examine closely. With the amount of volume they put through CBL, I would want to make sure those commercial contracts reflect the actual handling, labor and capacity they're using.

As far as Peaks versus Down Bay, having different pricing tiers makes sense and is reasonable from my perspective. I'm curious how the 25% difference was determined. I didn't see anything in the freight analysis that specifically supported the 25% differential, unless I missed it?

Overall, I think increasing the rates makes sense. I just think this is also a good opportunity to simplify the structure, make sure commercial freight is paying its fair share, keep the pricing as consistent as well as transparent as possible.

Thanks again for taking the time to respond.

Regards,

Jake Thornton

3. Heating fuel on ferries (Ross Sneyd)

From: Ross Sneyd | To: Benjamin Dinsmore; Caity Gildart | Wednesday, September 23, 2026, 3:13 PM

Hi Ben and Caity.

I'm wondering if you can help me understand something regarding the freight rates.

The proposal to the finance committee called for keeping the increase for heating fuel lower than for other freight. But isn't heating fuel only carried on Peaks Island Fuel trucks? And wouldn't they only pay the vehicle rate, not a freight rate?

Can you help me understand this?

Thanks!

Ross

From: Benjamin Dinsmore | To: Ross Sneyd; Caity Gildart | Wednesday, September 23, 2026, 3:50 PM

Hi Ross,

Thank you for the questions.

While most heating fuel is delivered to Peaks by fuel trucks, there are a few homes that are heated by wood pellets, bio-bricks, kerosene, and to a lesser extent propane (mostly used for outdoor grills). Delivery trucks and personal vehicles often carry these categories to Peaks but it is much cheaper to ship them via the freight shed than pay $100+ for a vehicle.

We also ship these fuel sources Down the Bay via freight.

We're only talking about $9,700 in revenue at today's rates, so it's not a material difference to CBL. However, even if there's one household out there that heats primarily with wood pellets (or similar fuel source) I felt it was important to at least propose a cap for that household. Whether we do or not is up to the board.

Thank you!

Ben Dinsmore General Manager Casco Bay Lines

4. Finance Committee (David Wheeler)

From: David W Wheeler | To: comment@cascobaylines.com | Cc: jamesl@cascobaylines.com | Monday, September 28, 2026, 2:26 PM

A few comments:

- Acknowledging that, consistent with the charter, the dependence upon (non-guaranteed) subsidies should be minimized, however, this appears to overly burden freight charges with meeting that goal. If the overall deficit is $2.8M and the freight cost allocation formula says that $1.75M is allocable to freight, that's 63%. Rather than try and recover virtually all of the freight deficit through rate increases, why not try and recover its prorata share of the deficit—say $1.1M rather than $1.5M—and then look toward passenger rates (or other non-freight) for the remainder?
- Regardless of the amount of freight deficit recovery determined to be necessary, I would advocate that beer, wine, soda, alcohol (i.e. all beverages) be charged at the same rate as groceries. Sure, they are heavier than straight-up groceries, but in terms of "deck space" (which seems to be the primary driver in the allocation formula), they take up the same area/volume as groceries and, although heavier, are handled/loaded the same way so ought to be priced the same. Some would say that they are as essential to living on the island as straight-up groceries! 🙂
- Regardless of the rate increases determined, I think it's best to rip off the bandaid and raise the rates all at once. A phased implementation would, however, provide some indication as to whether there is a change in mix/volume of freight due to the rate changes and allow rate flexibility to respond to any modified consumer behaviors that result.

David Wheeler

5. Freight increases (Rosemary Ratcliff, Great Diamond Island)

From: Rosemary Ratcliff | To: comment@cascobaylines.com | Cc: jamesl@cascobaylines.com | Monday, September 28, 2026, 4:55 PM

Dear CBL committee,

I am a resident of Great Diamond Island (state dock side) and I read your PowerPoint about freight increases carefully. I have 2 primary concerns with your document's approach to the topic of freight expense:

1. Relative cost—your increase to the cost of delivering goods seems misplaced. Based on your staff's estimate of how the ferries are used (and your method of aggregating costs), your document would have us now equate delivery of one individual UPS package to be as expensive as (or more expensive than) carrying one passenger (see the new $17+ minimum price tag for a UPS package). Is this truly an appropriate pricing, or is there another way to evaluate the actual expense of dropping off one of

many packages? (Not to mention…can you imagine paying $17 extra in shipping for every item you order on line? While many retailers now are not accessible in person (try buying fabric—there are virtually no in-person stores!), for many of us on the islands mail order delivery is a critical connection and is already expensive for us. Adding $17 per package is … unthinkable.)

2. Island residents are being asked to pay dramatic increases to cover costs that are now not truly uncovered—call it subsidized, but this quasi public transit is partially funded by over $3m in grants that more than cover the difference between your revenue from us and your operating costs. (Your document says you have an overall operating "deficit" of $2.79m, $1.77m of which you attribute to freight, and it says you receive over $3.67m in government grants.) Electing to charge island residents for the full cost of your operations will either result in loss of those grants or a profit of potentially millions of dollars annually.

Finally, consider that the majority of the cost will fall on year round residents of 4 islands, who total about 500-600 people. And while the internet tells me that summer population for those islands increases to about 2500 people, they stay for much shorter time, and their expense increase will be modest compared to those of us who come year round requiring food, equipment and supplies for our homes. This is a burden that we very much appreciate that there are grants to support. Island life is more and more expensive for each of us (as we have all seen costs for necessary services on our islands increase—try hiring someone to repair your roof or replace a water line or provide carpentry work!) and these freight and ticket price increases are dramatic increases. Your efforts to secure grants are critically needed as part of your quasi-public role.

I urge the committees of CBL to

- revise the freight increases to cover only a modest portion of the estimated expenses, such as 30%, reducing the increases by more than 1/2 of those proposed,
- continue seeking grant funding (as many, many private and public service entities do), and
- spend time and energy on cost-saving measures, such as educating residents about cheaper ways to get goods to the islands (consolidate Amazon shipments, carry their own packages on board, etc), and ways to modernize your own methods for managing freight.

Thank you for your work on this important topic, and for thinking more deeply about appropriate changes to charges going forward.

Rosemary Ratcliff 36 Meadow Ave Great Diamond Island

6. CBL proposal (Marjorie Johnson Solomon, Great Diamond Island)

From: Marge Solomon | To: comment@cascobaylines.com | Tuesday, September 29, 2026, 11:39 AM

Good morning,

I would like to register my protest on the increase of freight charge by CBL.

Mostly, I am concerned as a longtime summer resident on GDI that this will incur many hardships on the islanders who are struggling with increase costs and services in the Portland area.

Many retirees and seniors make GDI their seasonal and full time home and this increase could very well do alot of harm on those who depend on CBL to deliver food, building supp;ies and fuel costs.

Please do not implement this proposal, as a retiree myself, I often rely on food delivers and other deliveries of necessities to continue my life on the island where I feel most comfortable.

Thank you for your consideration,

Marjorie Johnson Solomon

7. Vessels Interior Cleanliness (Mark Rogus)

From: Mark Rogus | To: comment@cascobaylines.com | Wednesday, October 7, 2026, 3:05 PM

Ben / Ops Committee Chair

The fare prices increases need to be accompanied by improved service quality. Improving the "cleanliness" of the interior surfaces would be a simple improvement.

Please consider implementing routine cleaning (weekly) of the interior surfaces of all the vessels. The current visual appearance of all the vessels is pretty poor. Years of dirt, grim, etc. As a vessel owner and son of a naval officer it is painful to ride on CBL ferries compared to other public ferry systems where the vessels (while not "Bristol") are clean and fresh don't feel like we are boarding a vessel that sat in a boat yard for a few years collecting dirt.

This would be a big improvement in passage making - more pleasing and bring some much needed pride and quality to the experience for passengers and perhaps more pride in the ship from full time crew members. Interior paint refresh should also be considered for those vessels that will not be replaced within the next five yrs.

Thank you

Mark S. Rogus

8. Freight surcharge increase (Bill Hall)

From: Bill Hall | To: comment@cascobaylines.com | Cc: James Luedke | Monday, October 19, 2026, 10:07 AM

Good morning.

I recognize that I have missed the public comment deadline but nevertheless I wanted to reach out and share a potential issue that might surface as a result of the new freight fee structure. If this has been addressed already I apologize for the email.

My concern is that increased freight charges will lead to an increase in "carry on" items. I fear not only an increase in the number of carts, but an increase in size. Without a policy in place to manage (charge) for these items that are carried on we could see more riders choose to go the free route and carry on, which will happen at the expense of other riders comfort and speed to board/exit the boat.

If there is going to continue to be a charge for dogs and bicycles, for example, it makes sense to introduce a charge for carts.

Thank you.

Bill Hall

9. Question re: freight rates change (Karen Boss)

From: Karen Boss | To: ratechange@cascobaylines.com | Sunday, November 22, 2026, 3:27 PM

Hi, Jen and others:

I don't understand the package rate plan. If the cost is that high, retailers won't ship to us. That'll make living on the islands year-round really difficult.

Can something be done so UPS can still deliver to us?

Best,

Karen

10. CBITD Freight tariff proposal (April and Sam Whitener, Island Provisions, Long Island)

From: Sam Whitener | To: CBITD Board members; Ben Dinsmore; comment@cascobaylines.com; ratechange@cascobaylines.com | Monday, November 23, 2026, 2:51 PM

CBITD Board members,

As our discussion of the freight proposal being on the agenda for the 11/24/26 meeting of the CBITD finance I would like to share some of the data I have compiled for Island Provisions and how this proposal will negatively impact small island businesses.

The Boat House has been the only year round store on Long Island since 2000. The previous owners were Scott and Laurie Wood who opened at that time to serve the needs of the community as Clarkes Store had changed ownership and was moving to a summer only operation. April has been working at the store since moving to the island in 2011, I started in the winter of 2012 handling all the groceries and freight. We purchased the store in November of 2024, when Scott and Laurie were ready to retire. We have continued to operate year round, continuing the essential service that is required for a thriving year round community. The store carries everything you would expect to find in a small town general store. Residents and visitors of the island have expected to find everyday essentials and other items at prices that reflect the impact of being on an island. As follows are some of the financials of what's required to get these goods out to the island.

The groceries are picked up in Portland by April or myself 2-3 times per week from area Hannaford Supermarkets or BJ's wholesale club, due to the small population of the island it is not financially prudent to shop from distributors for grocery items. We have these items boxed up in banana boxes and unload them into cages or make pallets for shipping via CBL, once on island we use a forklift to move them to the store. Water, soda, beer, wine, ice cream and chips are delivered to CBL via distributors and often arrive on pallets on the truck and are unloaded and moved out to the ferry by forklift. More often than not, our freight is palletized and loaded / unloaded by crane or pallet jack and work plank.

The shipping costs vary by time of year and events on the island. Obviously, there is a very seasonal nature to the volume of goods that are moved through the store. With the current freight tariff in place, we estimate that groceries consisted of 1/3 of total expenditure of shipping costs with CBL, and the remaining 2/3 of expenditure covering the costs of shipping beer, wine, soda, water.

In 2025 Island Provisions, dba Boat House spent $12,700 total in shipping costs to Long Island. For 2026 YTD we have spent $10,873. From January 1, 2026 to May 1, 2026, average weekly expenditures for shipping were $100. From May 1, 2026 to September 1 2026, the weekly average increases to $450. There are significant outliers in the average due to busy holiday weekends or the Lobster boat weekend, with those events spending on freight is over $850.00. With most of that expense on shipping beer and wine. Shipping expenditures in the fall of 2026 were similar to 2025 with a weekly average of $130 being spent.

What this proposed freight tariff does not take into consideration is the operating budgets of small businesses that are unable to absorb the impact of a potential 200+% increase. On average a small locally owned general store is operating on a profit margin of 2% to 5%, with shrinkage running between 1% to 4%. Therefore attempting to absorb a fixed business expense 200+% is not sustainable for the business. If we were to attempt to pass this cost onto the consumer, it would cause price increases that would be unaffordable for local year-round residents and other visitors. One example is the shipping per case cost for beer and wine. Currently the case price is $2.70, this cost is passed onto the consumer resulting in a total cost of $31.50 for a 30 pack of beer. Our price per case is higher than Hannaford or any other large retailer on the mainland due to not being able to purchase in volume for large discounts. With the 75% cost recovery proposal of being $10.04 per case in the summer season, that would bring the total cost of a 30 pack up to $41.54. I would find it hard to believe that many consumers would be willing to pay that amount for the convenience of not carrying it from the mainland. The argument of down bay freight rates being higher than Peaks because of use of a forklift on the car ferry does not meet the straight face test due to the use of cages and palletized goods that are used for material handling down the bay.

In conclusion, this proposed freight tariff is going to be devastating for the small business on the down bay islands, in a time where increasing costs are making the small business world challenging enough. I hope this letter finds the board with an open mind in reconsidering this proposal, and the impacts of what they decide affects all islanders, whether they are year-rounders or summer visitors, down bay, inner bay and peaks islanders.

Thank you,

April and Sam Whitener

Island Provisions

Long Island, Me