BEFORE THE

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 534

IN THE MATTER OF:		Served October 8, 1965
Application of D. C. Transit System, Inc., for Increase in Fares.	)))	Application No. 344 Docket No. 101

D. C. Transit System, Inc., has filed the following Tariffs, accompanied by the required application, setting forth proposed increases in fares:

A. Supplement No. 1 to WMATC Tariff No. 29. The net effect of the change in fares set forth therein provide:

(1) Cash fare of 30¢, or four tokens for $1.00, for Regular Route Service within the District of Columbia;

(2) Cash fare of 10¢ for D. C. Downtowner-Minibus Service;

(3) Cash fare of 20¢ for the first zone of coverage or any part thereof for Local Route Service within Maryland;

(4) Cash fare of 40¢ for Express Route Service between Maryland and the District of Columbia;

(5) Cash fare of 60¢ for Capitol Hill Express Service;

(6) A 5¢ increase in the Interline Ticket.

(7) A 50¢ increase in the ten-ride Commutation Ticket (5¢ increase per ride).

B. Supplement No. 2 to WMATC Tariff No. 28. The net effect of the change in fares set forth therein provide for a cash fare of 60¢ for seasonal operations between points in the Washington Metropolitan Area and D. C. Stadium.

Exhibit A

DETERMINATION OF EXEMPTION OF D. C. TRANSIT SYSTEM, INC., FROM D. C. REAL ESTATE TAXES ASSESSED JULY 1, 1964, BASED ON FINANCIAL RESULTS OF THE CORPORATION'S FISCAL YEAR ENDED AUGUST 31, 1963.

Gross Operating Revenues, as certified in WMATC Order No. 419. Public Law 84-757, Section 9(b)(1).	$29,813,177.69
Gross Operating Revenues multiplied by 6-1/2%. Public Law 84-757, Section 9(b)(1)	$ 1,937,856.55
Net Operating Revenues, after giving effect to the D. C. Motor Vehicle Fuel Tax exemption certified in WMATC Order No. 419. Public Law 84-757, Section 9(g)(1)	$ 1,381,764.92
Amount by which Net Operating Revenues are "insufficient . . . to afford . . . a 6-1/2 per centum rate of return."	$ 556,091.63
D. C. Real Estate Tax exemption for which D. C. Transit System, Inc., qualifies. Per Schedule A.	$ 133,376.26

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1964 Location	Original Cost Land	Original Cost Buildings	D. C. Real Estate Taxes Assessed 7-1-64 Exempt	D. C. Real Estate Taxes Assessed 7-1-64 Non-Exempt
Operating Property				
In D. C.:				
26th & Bladensburg Road	$ 814,663.62	$2,662,370.74	$ 46,053.26	
Eastern Garage	74,866.84	326,640.59	13,070.08	
Trinidad Garage	40,730.28	234,557.54	8,130.18	
Western Garage	10,793.98	352,172.17	19,548.50	
General Office Building	44,126.91	1,395,862.07		(A) $22,022.50
Northern Garage	54,416.50	890,514.31	21,234.76	
Southeastern Garage	83,586.76	349,938.21	9,418.70	
Brookland Garage	103,659.48	397,974.92	10,233.34	
Parking Area 36th & M	579.48			(A) 450.00
Platforms & Stop Signs		9,459.05		
Chevy Chase Terminal	26,201.79	33,431.71	2,716.46	
Rock Creek Loop	12,729.66	8,878.25	942.96	
Barney Circle Terminal		19,684.13		
11th & Monroe Terminal	21,034.10		419.20	
14th & Colorado Ave., N.W.	18,393.75	15,388.16	1,056.28	
12th & Quincy Terminal	20,599.13	7,075.96	272.58	
62nd & Dix Terminal	6,692.59		279.96	
Outside D.C.:				
Wisconsin Avenue Terminal	24,797.90	27,411.09		
Mt. Rainier Terminal	31,541.21	15,499.76		
Rosslyn Loop		4,963.09		
Seat Pleasant Loop		8,104.92		
Silver Spring Transit Center		33,517.85		
Sightseeing Sales Offices		15,064.02		
Total Operating Property	1,389,413.98	6,808,508.54		
Non-Operating Property				
In D. C.:				
Rights of Way, Benning	175.06			4.92
13th & D Streets, N. E.	976.32			45.38
Eckington Place Rights of Way	4,300.85			247.96
Cabin John Rights of Way	80,146.42			4,090.34
14th & V Streets, N. W.	9,038.23	16,835.55		646.90

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1964 Location	Original Cost Land	Original Cost Buildings	D. C. Real Estate Taxes Assessed 7-1-64 Exempt	D. C. Real Estate Taxes Assessed 7-1-64 Non-Exempt
Grace Street Shops	$ 11,294.39	$ 152,703.15		(B) $ 3,813.32
Misc. Non-Operating Equipment & Work in Progress		82,118.47		
Outside D. C.:				
Land, Miscellaneous Parcels	23,190.08			
Miscellaneous Equip.& Roadway		28,372.43		
Total Non-Operating Property	129,121.35	280,029.60		
TOTAL OPERATING & NON-OPERATING PROPERTY (as reconciled with books, below)	$1,518,535.33	$7,088,538.14		
TOTAL D. C. REAL ESTATE TAXES			$133,376.26	$31,321.32

Reconciliation with Books

Balances Per Books at June 30, 1964		
Land: a/c 502 - Operating	$1,389,413.98	
a/c 404 - Non-Oper.	129,121.35	
Buildings: a/c 503, 504, 505 - Operating		$6,808,508.54
a/c 404 - Non-Operating		184,961.91
Equipment: a/c 404 - Non-Operating		95,067.69
TOTALS, PER BOOKS, June 30, 1964	$1,518,535.33	$7,088,538.14

FOOTNOTES:

(A) Transferred to Non-Operating status July 31, 1964, retroactive to January 1, 1964.

(B) Sold to Jack Hurwitz, Inc., in December, 1964.

Exhibit B

DETERMINATION OF EXEMPTION OF D. C. TRANSIT SYSTEM, INC., FROM D. C. REAL ESTATE TAXES ASSESSED JULY 1, 1963,* BASED ON FINANCIAL RESULTS OF THE CORPORATION'S FISCAL YEAR ENDED AUGUST 31, 1962.

*(This Exhibit covers only the second-half installment of the July 1, 1963 tax assessment, as the first-half installment was already exempt by Public Utilities Commission of the District of Columbia Order No. 3679-63B.)

Gross Operating Revenues, as certified in P.U.C. Order No. 3679-63B.	$29,445,737
Gross Operating Revenues Multiplied by 6-1/2%	$ 1,913,973
Net Operating Revenues, after giving effect to the D. C. Motor Vehicle Fuel Tax Exemption, per P.U.C. Order No. 3592-62	$ 1,620,744
Amount by which Net Operating Revenues are "insufficient . . . to afford . . . a 6-1/2 per centum rate of return."	$ 293,229
D. C. Real Estate Tax Exemption for which D. C. Transit System, Inc., qualifies. Per Schedule B.	$74,848.37

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1963	Original Cost		Uncertified Portion of D.C. Real Estate Taxes Assessed 7-1-63		
Location	Land	Buildings	Exempt		Non-Exempt
Operating Property					
In D. C.:					
26th & Bladensburg Road	$ 814,663.62	$2,519,729.09	$22,276.63		
Eastern Garage	74,866.84	337,716.28	6,535.04		
Trinidad Garage	40,730.28	234,557.54	4,065.09		
Western Garage	10,793.98	352,172.17	7,713.10		
General Office Building	44,126.91	1,293,847.80	11,011.25	(A)	
Northern Garage	54,416.50	887,965.08	10,617.38		
Southeastern Garage	83,586.76	349,448.21	4,709.35		
Brookland Garage	103,659.48	397,974.92	5,116.67		
Parking Area 36th & M	579.48		225.00	(A)	
Platforms & Stop Signs		20,397.63			
Right of Way 44th to 61st Sts.		14,695.00		(B)	
Rock Creek Loop	12,729.66	11,447.14	513.98		
Chevy Chase Terminal	26,201.79	33,431.71	1,092.13		
14th & Colorado Ave.,N.W.	18,393.75	15,388.16	528.14		
Barney Circle Terminal		19,684.13			
11th & Monroe Terminal	21,034.10		209.60		
12th & Quincy Terminal	20,599.13	7,075.96	95.03		
62nd & Dix Terminal	6,692.59		139.98		
Grace Street Shops	11,294.39	152,703.15		(C)	1,906.66
Outside D. C.:					
Wisconsin Ave. Terminal	24,797.90	27,411.09			
Mt. Rainier Terminal	31,541.21	15,499.76			
Rosslyn Loop		4,963.09			
Seat Pleasant Loop		8,104.92			
Silver Spring Transit Center		33,517.85			
Total Operating Property	1,400,708.37	6,737,730.68			
Non-Operating Property					
In D. C.:					
M Street Shops	65,793.43	281,035.76		(D)	5,734.40
Navy Yard Garage	106,562.15	245,776.02		(E)	3,721.05
Rights of Way, Benning	175.06				2.46
13th & D Sts., N. E.	976.32				22.69

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1963	Original Cost		Uncertified Portion of D.C. Real Estate Taxes Assessed 7-1-63	
Location	Land	Buildings	Exempt	Non-Exempt
Central Garage	$ 19,315.05	$ 429,428.16	(F)	$ 7,315.18
Eckington Place Right of Way	4,300.85			123.98
Northeastern Carhouse	36,151.12	272,625.87	(G)	2,832.25
Cabin John Rights of Way	77,646.42			2,045.17
14th & V Sts., N. W.	9,038.23	16,835.55		323.45
Misc. Non-Operating Equipment		68,584.61		
Outside D.C.:				
Land, Miscellaneous Parcels	23,190.08			
Misc. Equipment & Roadway		70,910.01		
Total Non-Operating Property	343,148.71	1,385,195.98		
TOTAL OPERATING & NON-OPERATING PROPERTY (as reconciled with books, below)	$1,743,857.08	$8,122,926.66		
TOTAL D. C. REAL ESTATE TAXES			$74,848.37	$24,027.29

Reconciliation with Books

Balances Per Books at June 30, 1963:		
Land: a/c 502 - Operating	$1,400,708.37	
a/c 404 - Non-Oprtg.	343,148.71	
Buildings: a/c 503,504,505 - Operating		$6,737,730.68
a/c 404 - Non-Oprtg.		1,247,611.37
Equipment: a/c 404 - Non-Oprtg.		137,584.61
TOTALS, PER BOOKS, June 30, 1963	$1,743,857.08	$8,122,926.66

FOOTNOTES:
(A) Transferred to Non-Operating status as of January 1, 1964, on July 31, 1964.
(B) Expired. Removed from Books February 29, 1964.
(C) Transferred to Non-Operating status as of July 1, 1963.
(D) Transferred to wholly-owned subsidiary, "M Street Estates, Inc." May, 1964.
(E) Transferred to wholly-owned subsidiary, "L Street Estates, Inc." May, 1964.
(F) Transferred to wholly-owned subsidiary, "Georgia Avenue Estates, Inc.," May, 1964.
(G) Transferred to wholly-owned subsidiary, "Fourth Street Estates, Inc.," May, 1964.

The Tariffs were issued September 15, 1965, to become effective October 17, 1965.

Three formal protests and numerous letters and petitions have been received in opposition to the proposed increases, and requesting that the Tariffs be suspended, an investigation ordered, and hearing held.

The Commission is of the opinion that the Tariffs should be suspended and the use of the rates and charges stated therein deferred in order that the Commission may give consideration to the financial condition of the Company and its revenue requirements, and to determine whether it is being operated economically and efficiently and to enable the Commission to determine whether the proposed fares are just and reasonable.

THEREFORE, IT IS ORDERED:

1. That an investigation be made, and this matter be, and it is hereby, set for hearing on Monday, November 8, 1965, at 9:30 a.m., in Hearing Room "C" in the Interstate Commerce Commission Building, 12th and Constitution Avenue, N.W., Washington, D. C.

2. That pending investigation and hearing, and decision thereon, the foresaid Tariffs stating increased rates and charges be, and they are hereby, suspended, and the use of the rates and charges stated therein deferred until January 15, 1966, unless otherwise ordered, to enable the Commission to investigate the propriety and reasonableness of said rates and charges, and to provide time for the Commission staff to make an audit and report covering the matters involved herein.

3. That the applicant shall serve copies of its proposed testimony and exhibits to the Commission, and all formal parties of record, on or before Monday, October 25, 1965.

4. That the applicant post notice in its buses advising the public of the suspension, that the proposed increases have been deferred until January 15, 1966, unless otherwise ordered, and of the time and place of hearing.

5. That the applicant publish notice of the application and hearing in a newspaper of general circulation in the Metropolitan District, once, at least twenty-five (25) days prior to November 8, 1965.

BY DIRECTION OF THE COMMISSION:

DELMER ISON
Executive Director