

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 986

IN THE MATTER OF:

Served November 4, 1969

Application of WMA Transit	)	Application No. 550
Company for Authority to	)	
Institute an Exact Fare System.	)	Docket No. 197

In its application for increased fares filed January 27, 1969, the WMA Transit Company, Inc., (WMA) requested the Commission to authorize the institution of an exact fare plan similar to the plan now in use by the other mass transit bus operators in the Washington area. In Order No. 939, issued on April 11, 1969, we indicated that we would not approve WMA's exact fare plan as it had been presented to us, but that we would require the submission of a plan better designed for the convenience of the riding public. We held that aspect of the case open and directed the company to submit a new plan.

By letter to the Commission dated October 8, 1969, WMA submitted the details of its revised exact fare plan. On October 30, 1969, WMA submitted proposed WMATC Tariff No. 30 which incorporated the exact fare plan substantially as described in the October 8, 1969 letter, and which cancels WMATC Tariff No. 29. The proposed effective date for the new tariff is November 28, 1969.

A copy of the WMA exact fare proposal was also submitted to Mr. Howard L. Peterson, Jr., a protestant in the matter of the application for increased fares. Mr. Peterson was requested to submit his comments to the Commission and he did so in writing on October 27, 1969.

The plan, as proposed by the company, contemplates that each passenger will deposit the correct fare into the fare box and that the operator will carry no money and make no change. The company will sell tickets in denominations of 5, 10, 15, 20, 25, 30, 35, 50 and 55 cents. The 5-cent tickets will be sold in lots of 20 for \$1.00; 10-cent tickets,

10 for \$1.00; 15-cent tickets, 10 for \$1.50; 20-cent tickets, 10 for \$2.00; 25-cent tickets, 10 for \$2.50; 30-cent tickets, 10 for \$3.00; 35-cent tickets, 10 for \$3.50; 50-cent tickets, 10 for \$5.00; and 55-cent tickets, 10 for \$5.50.

Tickets may be used in lieu of cash and are designed as a convenience to partially offset the inconvenience of an exact fare system. The tickets will be sold, for cash only, at the WMA offices at 4421 Southern Avenue, S. E., Monday through Saturday from 7:00 A.M. to 7:00 P.M., and at the A. B. & W. Information Booth at 12th and Pennsylvania Avenue, N. W., Monday through Friday, 7:00 A.M. to 10:00 A.M., and 2:00 P.M. to 7:00 P.M. Ticket books will also be sold by mail at the company's Southern Avenue address. Mail orders must be accompanied by a self-addressed, return envelope with proper United States postage attached. Cash, money orders, certified checks and personal checks will be accepted in payment for tickets, but tickets paid for by personal check will not be mailed until the check has cleared the bank.

In the event a passenger does not have the exact fare in either cash or tickets, he will receive a "change receipt" for the difference between his fare and the amount proffered, except that operators will not issue change receipts for U.S. currency over five dollars. The change receipts may be redeemed at the company's Southern Avenue address on Monday through Friday between 7:00 A.M. and 7:00 P.M.; at the Fairfax Village Pharmacy, 38th and Alabama Avenue, S. E., Monday through Saturday between 9:00 A.M. and 7:00 P.M.; and at the 12th and Pennsylvania Avenue A. B. & W. Information Booth, Monday through Friday, 7:00 A.M. to 10:00 A.M. and 2:00 P.M. to 7:00 P.M. Change receipts are redeemable up to one year from date of issue.

Should a passenger in tendering his fare on boarding the bus, not have exact change and thus receive a change receipt, that passenger will be permitted to use the change receipt toward the payment of whatever fare is required on alighting.

Protestant Peterson, while indicating his general approval of the plan, suggested that (1) additional ticket sales outlets be provided by the company near 11th and Pennsylvania Avenue, N. W., and Farragut Square, and in Prince George's County; (2) that additional locations for redemption of change receipts be provided; (3) that in anticipation of the realization of interest on the money presented for ticket purchases by the public, the company should absorb the postage costs and further should assume the cost of mailing the ticket books by certified mail; (4) as an alternative to suggestion three, WMA should "be required to hold in escrow all interest credited from deposited money in excess of tickets used for fares"; and (5) Mr. Peterson suggested that some means should be devised to accommodate the passenger in a situation where he boards the bus with the exact fare in cash or tickets for his total trip, but due to the fact that the fare is paid in two stages, his exact fare for the total trip may not break down in the proper denominations for payment of the exact fare for each segment.

One of the deficiencies that the Commission was concerned with in rejecting the company's original exact fare proposal was the inadequacy of the number of scrip redemption centers, as the company at that time proposed only one. In its current proposal, three centers are provided and the company has indicated that it has made diligent efforts to arrange for ticket sales and redemption of change receipts at other locations, particularly at Farragut Square, but without success. This is a problem which has been encountered by the other companies who have an exact fare system and who were, at the time their exact fare applications were under consideration, requested to look into the possibility of expanding the number of scrip redemption locations. Therefore, while we can agree with Mr. Peterson's suggestion that it would be desirable to have one or two more downtown ticket sales and scrip redemption locations, we will not delay the approval of the company's application further on that basis, but will request the company to continue its efforts to provide further locations downtown.

With respect to Mr. Peterson's suggestions regarding the disposition of interest on the cash prepaid for ticket purchases, the company asserts that whatever interest is earned, if any is in fact earned, it will not amount to enough to cover the additional costs of handling mail orders, printing ticket books and processing change receipt redemptions. We agree with the company's prediction that, considering the additional costs the company will incur compared to what it might realize in interest, there is not likely to be any windfall to the company. Therefore, we will make no special provision with respect to the disposition of possible interest accruals. We will, however, direct our staff to monitor the company's experience and we will take further action if it is justified.

With respect to the problem raised regarding the passenger holding exact fare for the entire trip but not in denominations to provide exact fare for each segment, this problem was partially dealt with in the WMA tariff submission by providing that the passenger will be entitled to use any change receipt issued, toward payment of his second fare.

However, we believe that the two-stage fare collection system employed by WMA, when combined with an exact fare system, imposes an unnecessary burden on the riding public. The inconvenience of securing exact fare before boarding the bus is increased by the need to have an exact fare for two stages of the ride. The fact that the use of a script transaction eliminates the need to have the exact fare for each segment does not eliminate the inconvenience of a two-stage exact fare collection system. Therefore, we will direct the company to institute within 90 days a fare collection system which requires the collection of the entire fare at one-time in lieu of the present two-step fare collection system.

In general, the exact fare plan proposed by WMA is similar to the exact fare systems employed by the other bus operators in the area. The reasons for extending an exact fare system to this company are the same as led us to approve such systems for the other operators, viz., robbery of bus drivers. In the past few weeks robberies of WMA bus drivers have been a frequent occurrence.

On consideration of the foregoing, we find the exact fare plan as outlined to be required in the public interest and we will approve it, subject to the elimination of the two-step fare collection system.

**THEREFORE, IT IS ORDERED:**

1. That WMATC Tariff No. 30 of WMA, issued October 30, 1969, to be effective on or before 12:01 A.M., November 28, 1969, be, and it is hereby, approved.

2. That WMA shall provide notice of the institution of the exact fare system by posting the details of the program in and on all of its buses at least ten (10) days prior to the effective date of the exact fare system.

3. That WMA shall institute a one-stage fare collection system within 90 days from the date of this order.

**BY DIRECTION OF THE COMMISSION:**



**MELVIN E. LEWIS**  
Executive Director