

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1119

IN THE MATTER OF:

Served January 15, 1971

Application of WMA Transit)
Company for Authority to)
Increase Fares)

Application No. 655

Docket No. 222

On November 3, 1970, WMA Transit Company (WMA) filed an application to increase the fares charged for its regular route bus service in and between the District of Columbia and points in Prince George's County, Maryland. Hearings were held on December 29, 1970, and January 4, 1971, at which time the direct case of WMA was presented and cross examination of company witnesses was completed.

On January 6, 1971, WMA filed a motion for an interim increase in fares pending the Commission's final determination of the earlier-filed application. In its motion, WMA seeks a 5-cent increase per ride on all of its regular route service. It asserts that as of January 11, 1971, employee wage increases of 20 cents an hour are in effect which will add \$185,000 per annum to the company's operating expense. The 5-cent increase, it is said, will produce an annual revenue of \$171,185, which would nearly offset the impact of the wage increases mentioned.

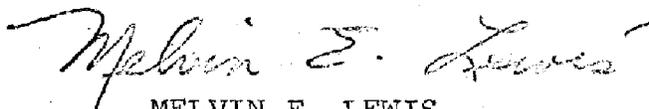
Under Section 6(b) of the Compact, we are authorized to establish new fares upon a finding that the existing fares are unjust, unreasonable, or unduly preferential or unduly discriminatory. The existing fares were established by Order No. 1049, issued less than seven months ago. And while the company has asserted that its regular route revenues are down from the levels we forecast in Order No. 1049, and the motion reiterates that contention, the record is far from clear as to the final results those rates are producing when all the revenues of the company are compared with all its legitimate operating expenses. Thus, we are unable to make those findings requisite to the establishment of a lawful interim fare.

Even if we had some record basis for finding that the existing fares are unjust and unreasonable, we have not been presented with any evidence going to the question of the interim revenue needs that an interim fare would be designed to meet. The motion predicts that the company cannot continue in operation without immediate relief, but nowhere presents any analysis of what, if any, additional revenues are needed in the next two months -- the period in which we are required by law to act on WMA's November application -- to forestall those dire consequences.

We have already indicated that we will expedite a decision on the main application and we believe that the company and the public will be best served if we concentrate on that effort and not at this time divert our attention to the additional task of making a further record directed to the question of the need, if any, for an interim increase.

THEREFORE, IT IS ORDERED, that the motion requesting an interim increase in fares, filed by WMA Transit Company on January 6, 1971, be, and it is hereby, denied.

BY DIRECTION OF THE COMMISSION:



MELVIN E. LEWIS
Executive Director