

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1741

IN THE MATTER OF:

Served August 31, 1977

Application of ATWOOD'S TRANSPORT ) Application No. 1007  
 LINES, INC., for Authority to )  
 Change Tariff ) Docket No. 392

On July 26, 1977, Atwood's Transport Lines, Inc. (Atwood's), filed Washington Metropolitan Area Transit Commission (WMATC) Tariff No. 19, to cancel WMATC Tariff No. 18, effective September 1, 1977. Atwood's current WMATC Tariff No. 18 specifies regulations, fares, and charges applicable to the transportation of passengers pursuant to Certificate of Public Convenience and Necessity No. 14. That Certificate authorizes operations (a) over a regular route between Washington, D. C., and the Prince George's - Charles County, Md., line, and (b) over irregular routes, conducting round-trip or one-way charter service, (1) from the District of Columbia to points in the Metropolitan District, (2) from points in an area within one mile of two specified routes to points in the Metropolitan District, and (3) between Dulles International Airport and specified points in the Metropolitan District. 1/ Atwood's seeks a rate change for regular route operations and charter operations, as well as certain definitional changes and changes in its Rules and Regulations as described below:

I. REGULAR ROUTES

Atwood's current and proposed (shown in parenthesis) regular route rates are as follows:

WASHINGTON, D. C. TO:

|                    | <u>One-Way Charge</u> | <u>Ten Ride<br/>Commutation Ticket</u> |
|--------------------|-----------------------|----------------------------------------|
| Silver Hill, Md.   | \$ 1.10 (1.00)        | \$ 8.25 (10.00)                        |
| Camp Springs, Md.  | 1.10 (1.00)           | 8.25 (10.00)                           |
| Clinton, Md.       | 1.20 (1.30)           | 9.00 (10.00)                           |
| T.B. Junction, Md. | 1.45 (1.60)           | 10.90 (12.00)                          |

1/ Certificate No. 14 also authorizes charter operations pursuant to contract from points in the District of Columbia and Prince George's County, Md., to the facilities of National Geographic Society at Gaithersburg, Md., and return. The proposed Tariff No. 19, however, contains no rates for this service.

SILVER HILL, MD. TO:

|                     | <u>One-Way Charge</u> | <u>Ten Ride<br/>Commutation Ticket</u> |
|---------------------|-----------------------|----------------------------------------|
| Camp Springs, Md.   | \$ .95 (1.00)         | \$ -----(10.00)                        |
| Clinton, Md.        | .95 (1.05)            | ----- (10.00)                          |
| T. B. Junction, Md. | 1.00 (1.15)           | 7.50 (10.00)                           |

CAMP SPRINGS, MD. TO:

|                    |            |               |
|--------------------|------------|---------------|
| Clinton, Md.       | .95 (1.00) | ----- (10.00) |
| T.B. Junction, Md. | .95 (1.00) | ----- (10.00) |

CLINTON, MD. TO:

|                    |            |               |
|--------------------|------------|---------------|
| T.B. Junction, Md. | .95 (1.00) | ----- (10.00) |
|--------------------|------------|---------------|

Atwood's proposed regular-route one-way charges would be increased by between 5.3 percent and 15 percent. <sup>2/</sup> Atwood's ten-ride commutation ticket would be increased between 10.01 percent and 33 1/3 percent. Atwood's proposed regulation 9 concerning commutation tickets under Tariff 19 would be:

Ten (10) ride commutation tickets, limited to one (1) month from date of sale, will be sold between points within the jurisdiction of the WMATC, where selling fares are named in this Tariff.

Promulgation of the cost of ten (10) ride commutation tickets to be 75 percent of the one-way fare times 10, with a minimum charge of ten dollars (\$10.00).

Under the current regulation, no commutation tickets were sold where the minimum charge would be less than \$7.50.

II. CHARTER SERVICE

Atwood's current charter rates are as follows:

| <u>Seating Capacity of<br/>Vehicle (exclusive<br/>of Driver's Seat)</u> | <u>Rate per<br/>Revenue<br/>Mile</u> | <u>Rate per<br/>Deadhead<br/>Mile</u> | <u>Hourly Charges</u>    |                                            |
|-------------------------------------------------------------------------|--------------------------------------|---------------------------------------|--------------------------|--------------------------------------------|
|                                                                         |                                      |                                       | <u>Rate per<br/>Hour</u> | <u>Maximum<br/>Each 24-Hour<br/>Period</u> |
| 38 (with restroom)                                                      | .99                                  | .55                                   | \$18.00                  | -----                                      |

<sup>2/</sup> All regular-route rates would be increased except those between Washington, D. C., on the one hand, and, on the other, Silver Hill and Camp Springs, Md. In these cases the one-way fare would be decreased from \$1.10 to \$1.00 or 9.1 percent.

|                    |      |     |          |       |
|--------------------|------|-----|----------|-------|
| 45                 | .97  | .55 | \$ 19.00 | ----- |
| 47 (with restroom) | 1.06 | .55 | 20.00    | ----- |

Round trip of 100 miles or less will be based on hourly charge with a minimum charge of four (4) hours.

Round trips in excess of 100 miles will be based on the mileage charge or the hourly charge, whichever is greater.

Transfers

|                                                                                           |                          |
|-------------------------------------------------------------------------------------------|--------------------------|
|                                                                                           | 38 - 45 - 47             |
|                                                                                           | <u>Passenger Coaches</u> |
| Between any two points in the District of Columbia (one-hour service)                     | \$ 60.00                 |
| Between the National Airport and any point in the District of Columbia (one-hour service) | 60.00                    |
| From the District of Columbia to Dulles Airport (two-hour service)                        | 80.00                    |

Sightseeing Charges

|                                                                           |                      |
|---------------------------------------------------------------------------|----------------------|
| <u>Seating Capacity of Vehicle</u><br><u>(Exclusive of Driver's Seat)</u> | <u>Rate Per Hour</u> |
| 38                                                                        | \$ 20.00             |
| 45                                                                        | 22.00                |
| 47                                                                        | 23.00                |

Minimum Charge - 4 hours

In any instance where a licensed guide or lecturer accompanies a charter vehicle in addition to the operator of the vehicle and serves in that capacity, a charge of twenty-five dollars (\$ 25.00) per day will be assessed, in addition to the hourly rate specified above, subject to rules and regulations contained herein.

Atwood's proposed charges under Tariff No. 19 would be:

Charter

Seating Capacity of Vehicle  
(Exclusive of Driver's Seat) 3/

Rate Per Hour

|                    |          |
|--------------------|----------|
| 38 (with restroom) | \$ 20.00 |
| 46 (with restroom) | 22.00    |

Transfers

38 or 46  
Passenger Coaches

|                                                                                           |          |
|-------------------------------------------------------------------------------------------|----------|
| Between any two points in the District of Columbia (one-hour service)                     | \$ 65.00 |
| Between the National Airport and any point in the District of Columbia (one-hour service) | 65.00    |
| Between the Dulles Airport and any point in the District of Columbia (two-hour service)   | 85.00    |

Sightseeing Charges

Seating Capacity of Vehicle  
(Exclusive of Driver's Seat)

Rate Per Hour

|    |          |
|----|----------|
| 38 | \$ 22.00 |
| 46 | 25.00    |

Minimum charge - Four (4) hours

In any instance where a licensed guide or lecturer accompanies a charter vehicle in addition to the operator of the vehicle and serves in that capacity, a charge of twenty-five dollars (\$25.00) per day will be assessed, in addition to the hourly rate specified above, subject to rules and regulations contained herein.

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3/ Atwood's Tariff No. 18 includes rates for buses with seating capacity for 38, 45, or 47 persons. Tariff No. 19 shows rates for vehicles with seating capacities for 38 and 46 persons. By letter filed March 22, 1977 in Application No. 987, of which the Commission takes official notice, Atwood's explains this change as resulting from the seating configuration of the bus where the 47th seat is opposite the restroom door and, presumably, not desirable for regular use. Atwood apparently no longer operates 45-passenger buses.

The proposed rates set forth above have done away with charges based on revenue and deadhead miles. Atwood's straight charter hourly rates for 38 and 46 passenger buses would increase 11.1 percent and 10 percent respectively. Transfer rates to Dulles International Airport would increase 6.25 percent and other transfer rates would increase 8.3 percent. Sightseeing charges for 38 to 46 passenger buses would increase 10 percent and 13.04 percent respectively.

In addition to the changes in charter rates set forth above, Atwood's layover charge would be increased 11.5 percent from \$26 to \$29 and its seat removal charge would be increased 66.7 percent from \$15 to \$25. Atwood's would also delete from its tariff the following rules and regulations:

#### DEADHEAD MILEAGE

"Deadhead Mileage" as used herein means the mileage traversed in moving coach from the nearest point at which available equipment is maintained to the starting point of trip, and from final destination of trip to the nearest point where equipment is held to be available, and such other movement [of] equipment unoccupied by passengers as may be necessary to provide the kind of trip party desires. Mileage involved in intra-city movement of equipment to and from service garage will not be considered as deadhead mileage. Vehicles for chartered service are located in Tuxedo, Maryland.

#### DISTANCE

- a. Distances will be computed from Mileage Guide No. 10, MP - I.C.C. No. 19, issued by Household Goods Carriers Bureau, Agent, Supplements thereto or reissues thereof.
- b. Mileage between point or origin or destination not shown in the Mileage Guide will be computed from the closest origin or destination point shown in the Mileage Guide, plus the scaled mileage from the shown closest origin or destination point to the actual origin or destination point.

#### MINIMUM CHARGES

- b. On a charter trip over twenty-four (24) consecutive hours in duration (including stops and layovers) charges will be computed upon a minimum of fifty-eight (\$ 58.00) dollars per day. If the coach is used the charge will be \$13.00 per hour after the fourth hour.

In support of its application, Atwood's submitted ten exhibits described ad seriatum below:

Exhibit 1 is a balance sheet dated May 31, 1977. Total current assets are \$404,772.77, including cash in banks of \$149,637.77. Fixed assets include motor buses \$2,446,911.78, other equipment \$34,229.97, improvements to leasehold garages \$4,708, intangible property \$25,318, and deferred debits \$23,333.84. Current liabilities total \$1,621,265.63, including notes payable to Atwood's corporate parent, Frank Martz Coach Company, \$1,070,050, and unspecified notes payable \$484,971.22. Deferred credits and reserves total \$133,007 and \$983,728.02 respectively. Atwood's capital stock is valued at \$26,200 and its earned surplus is \$175,072.71.

Exhibit 2 is an income statement for the 12-month period ended May 31, 1977. Passenger revenue (presumably for regular-route operations) is \$138,378.95, charter revenue totals \$2,203,414.71, and other revenue is \$18,106.48. Atwood's shows operating expenses of \$1,723,535.82, and other expenses of \$483,949.51. Net operating revenue is \$152,414.81, and ordinary income before taxes is \$84,744.30. Applicant's operating ratio is 93.54 percent. 4/

Exhibits 3 and 4 are projected statements of income for the 12-month period ending May 31, 1978. Applicant projects that operations conducted pursuant to its current rates would generate total revenue of \$2,428,000, and total expenses would be \$2,334,000. Atwood's anticipates its before and after tax incomes would be \$92,000 and \$57,000 respectively for an operating ratio of 96.2 percent. In the event Atwood's is granted the subject rate increases, its revenue and expense estimates predict total income of \$2,535,000, and total expenses of \$2,342,000. Atwood's anticipates its after tax income would be \$115,000, and its operating ratio would be 92.4 percent.

Exhibit 5 is a schedule of motor vehicle equipment and depreciation thereon and Exhibit 6 sets forth the amount of rent paid for Atwood's garage and approximately one acre of parking area.

Exhibits 7 and 7a set forth and explain in part Atwood's present regular-route out-of-pocket operating costs. Exhibit 8 reflects a breakdown of Atwood's revenue by classification and jurisdiction. Exhibit 9 is an unsigned and unverified series of questions and answers, and Exhibit 10 appears to be a schedule of the rates for that portion of Atwood's regular route under the jurisdiction of the Interstate Commerce Commission.

Title II, Article XII, §6(a)(1) of the Compact authorizes the Commission to suspend any fare, regulation or practice at any time prior to the effective date thereof. In considering whether such fare, regulation or tariff shall be suspended, the Commission must consider, inter alia, the financial condition of the carrier, its revenue requirements, and whether the carrier is being operated economically and efficiently. Further, the Compact, Title II, Article XII, §6(a)(2) mandates that fares;

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4/ Exhibit 2 incorrectly reflects operating ratio as 93.4 percent. Certain other mathematical errors have been corrected herein.

regulations or practices relating thereto must be just, reasonable, and not unduly preferential either between riders or sections of the Metropolitan District. Subsections (a)(3) and (a)(4) list additional considerations, including the need, in the public interest, of adequate and efficient transportation service by a carrier at the lowest cost consistent with the furnishing of such service, and the opportunity for a carrier to earn a net return of at least 6.5 percent after all taxes properly chargeable to transportation operations.

An analysis of the proposed tariff and supporting exhibits does not establish that the rates proposed therein comport with the statutory criteria referenced above. Accordingly, the Commission, under the provisions of Title II, Article XII, §6(a)(1) of the Compact, shall suspend Atwood's proposed WMATC Tariff No. 19 and schedule a public hearing in order to develop an appropriate record upon which the Commission may prescribe a rate schedule which is just, reasonable, and not unduly preferential or unduly discriminatory between riders or sections of the Metropolitan District, and which comports with the scope of Atwood's Certificate of Public Convenience and Necessity No. 14. Atwood's shall be assessed an amount preliminarily estimated to be sufficient to cover the expenses which the Compact, Title II, Article XII, Section 19(a) require the carrier to bear.

THEREFORE, IT IS ORDERED:

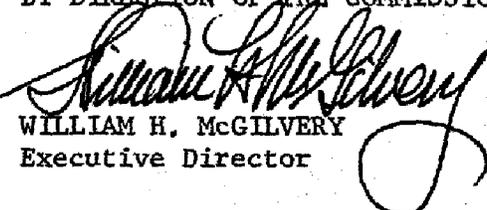
1. That WMATC Tariff No. 19 of Atwood's Transport Lines, Inc., be, and it is hereby, suspended effective September 1, 1977, for a period of 90 days, through November 29, 1977, unless otherwise ordered by the Commission.
2. That Application No. 1007 of Atwood's Transport Lines, Inc., be, and it is hereby, scheduled for public hearing to commence Thursday, October 13, 1977, at 9:30 a.m. in the Hearing Room of the Commission, Room 314, 1625 I Street, N. W., Washington, D. C. 20006.
3. That an additional hearing at which the public may comment informally on Application No. 1007 be, and it is hereby, scheduled to commence Wednesday, October 19, 1977, at 8:00 p.m. in the Multi-Purpose Room of Clinton Grove Elementary School, 9420 Temple Hill Road, Clinton, Md.
4. That Atwood's Transport Lines, Inc., post notice of the application and hearings, in the form prescribed by the staff of the Commission, in all of its vehicles no later than Tuesday, September 6, 1977, and maintain such notice in its vehicles continuously through the date of the public hearing.
5. That Atwood's Transport Lines, Inc., publish notice of the application and hearings once, in the form prescribed by the staff of the Commission, in a newspaper of general circulation in the Metropolitan District, no later than Tuesday, September 6, 1977.

6. That any person desiring to protest shall file a protest in accordance with Commission Rule 14, or any person desiring to be heard formally on this matter shall notify the Commission, in writing, on or before 12 noon, Thursday, October 6, 1977, and mail a copy of such protest or notification to counsel of record for applicant, L. C. Major, Jr., Esquire, Suite 400, Overlook Office Building, 6121 Lincolnia Road, Alexandria, Virginia 22312. Persons desiring to be heard informally at the hearing scheduled to take place in Clinton, Md., shall notify the Commission and counsel for applicant no later than Friday, October 14, 1977.

7. That Atwood's Transport Lines, Inc., be, and it is hereby, directed to pre-file six copies of each exhibit it intends to sponsor at the above-scheduled formal hearing, including but not limited to exhibits (1)clearly allocating its expenses as between its Interstate Commerce Commission and Washington Metropolitan Area Transit Commission operations and further dividing its expenses as among its regular-route, charter, and contract operations, (2)clearly showing the bases for such allocations, and (3)its method of estimating the percentage of revenue derived from the Washington Metropolitan Area Transit Commission portion of its regular route as shown on the above-referenced Exhibit 8, no later than Thursday, September 29, 1977.

8. That Atwood's Transport Lines, Inc., be, and it is hereby assessed \$350 pursuant to the provisions of the Compact, Title II, Article XII, §19, and directed to deliver such amount to the office of the Commission, Suite 316, 1625 I Street, N. W., Washington, D. C. on or before Friday, October 7, 1977.

BY DIRECTION OF THE COMMISSION:

  
WILLIAM H. MCGILVERY  
Executive Director