

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1920

IN THE MATTER OF:

Served November 17, 1978

Application of COURTESY BUS RENTAL )  
SYSTEM, INC., for Authority to )  
Increase Fares under WMATC )  
Temporary Approval Tariff No. 1 )

Case No. AP-78-49

By tendering for filing its Supplement No. 1 to WMATC Temporary Approval Tariff No. 1, on November 9, 1978, Courtesy Bus Rental System, Inc. (Courtesy), seeks authority to increase its per capita monthly commuter fare for service to and from the Government Printing Office in Washington, D. C., from \$25 to \$42. Courtesy requests that the 30-day effective date requirement be waived and that the new rate become effective as soon as possible.

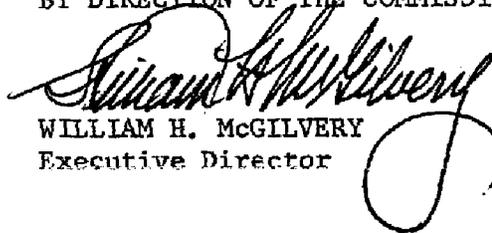
Courtesy was given temporary approval to operate Certificate of Public Convenience and Necessity No. 42 of Highview Bus Service, Inc. (Highview), in Order No. 1913, served November 6, 1978. Courtesy states that it operates over-the-road, coach-type buses, having a seating capacity for 38 passengers whereas Highview conducted operations in school buses capable of seating in excess of 50 passengers. The result is that the current tariff of \$25 a passenger is insufficient to meet Courtesy's operating costs.

In accordance with Commission Regulation 56-01 (c) Courtesy has supplied financial data including a balance sheet and income statement, and a breakdown of variable costs on a per bus basis, along with a projection of revenues to be generated by the proposed rate increase. The variable costs on a monthly basis total \$1,139.40 per bus including \$243 for insurance, \$600 for a driver, \$150 for maintenance and \$146.40 for fuel (figured on 240 gallons at 0.61 per gallon). In addition fixed costs such as depreciation and office expenses would also be involved. Courtesy estimates that it would have to transport approximately 36 passengers per bus (\$1,512) to conduct operations profitably. At the current tariff rate of \$25, maximum revenue (at 38 passenger capacity) that could be realized is \$950 per bus, resulting in a significant operating loss.

In view of the expenses incurred by Courtesy in performing operations pursuant to Certificate No. 42, the Commission finds that the requested increase is warranted and that the normal 30-day effective date requirement should be waived as permitted by Title II, Article XII, Section 5(e) of the Compact, and the tariff shall become effective November 20, 1978.

THEREFORE, IT IS ORDERED that Supplement No. 1 to WMATC Temporary Approval Tariff No. 1 of Courtesy Bus Rental System, Inc., be, and it is hereby, permitted to become effective November 20, 1978.

BY DIRECTION OF THE COMMISSION:

  
WILLIAM H. MCGILVERY  
Executive Director