

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2446

IN THE MATTER OF:

Served August 8, 1983

Investigation of Unauthorized)
Operations and Charges by WEBB)
TOURS, INC.)

Case No. MP-81-11

This proceeding, initiated by Order No. 2262, served October 14, 1981, concerns primarily the charging by Webb of charter and special operations rates higher than those contained in its then-published WMATC Tariff No. 1. The evidence of record showed that, for the period in question, Webb's overcharges totalled \$43,300.07 1/ in violation of Title II, Article XII, Section 5(d) of the Compact and Commission Regulation No. 55-08. 2/ The Commission noted that the carrier did have need for increased revenue and, in another case, did approve a higher rate structure for the carrier.

As a result of the overcharges, the Commission sought to fashion a restitutional remedy to benefit the public without requiring a cash outlay that Webb would have been unable to afford. Identifiable parties who sustained overcharges were given an opportunity to recoup the excess fares through issuance of coupons crediting the amount of the overcharge against charges for future service to be available between September 7, 1982 and April 30, 1983. 3/ Webb was required to file a report upon completion of the redemption period. The Commission specifically retained jurisdiction in this case to determine what, if any, further action would be necessary to effect restitution for the overcharges.

1/ Of that total \$4,593.08 was comprised of special operations. Those passengers are not identifiable, thus this amount was added to Webb's revenue base.

2/ See Order No. 2329, served April 9, 1983, regarding determination of the overcharges.

3/ Overcharged charter customers received a coupon and letter explaining the recoupment procedure.

Webb's report, filed June 16, 1983, states that only two coupons were redeemed for a value of \$180. Thus, the remaining balance of the overcharges is \$38,526.99, calculated by reducing the initial overcharge amount of \$43,300.07 by the special operations overcharge of \$4,593.08 (which was written off) and by the \$180 redemption figure, for a resulting overcharge total of \$38,526.99. It is apparent that the coupon program yielded virtually no benefit to overcharged parties, perhaps because most of those persons overcharged reside outside the Metropolitan District.

As was noted in Order No. 2329, this was the first time the Commission utilized the coupon method for restitution, and a determination would be made subsequently as to whether it is necessary to establish a reserve account on the carrier's books to effect full restitution. The amount of \$38,526.99 shall be established as a non-cash reserve account entitled "Commission Ordered Reserve" on Webb's books. To the extent that the carrier fails to achieve its authorized operating ratio of 93.5 for any calendar year after March 1, 1982 (including the ten-month period ended December 31, 1982), ^{4/} it may file an adequately supported petition with the Commission to authorize debits to the unfunded reserve account established herein. This action takes into account the nature and severity of the violation, the financial position of the carrier, the need for restitution to the public, the responsibility of the Commission to uphold the law and, of course, the (lack of) result of the coupon program.

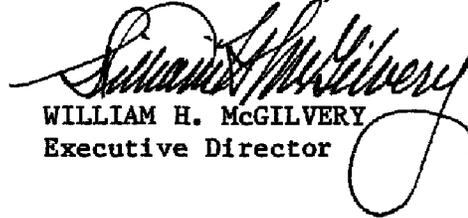
THEREFORE, IT IS ORDERED:

1. That further proceedings in Case No. MP-81-11 are hereby directed pursuant to the continuing jurisdiction of the Commission as set forth in Order No. 2329.
2. That Webb Tours, Inc., establish a non-cash reserve account entitled "Commission Ordered Reserve" on its books in the amount of \$38,526.99, such reserve account to be used at the discretion and by order of the Commission as provided above.
3. That in all other respects Case No. MP-81-11 is hereby discontinued subject to the right of the Commission, which is hereby expressly reserved, to reopen this proceeding or institute further administrative or judicial proceedings to assure the compliance of Webb

^{4/} See Order No. 2329, served April 9, 1982, in Case No. MP-81-11 approving an operating ratio of 93.5 commencing March 1, 1982.

Tours, Inc., with the requirements of the Compact and the rules, regulations and orders of the Commission thereunder.

BY DIRECTION OF THE COMMISSION, COMMISSIONERS WORTHY, SCHIFTER AND SHANNON:



WILLIAM H. MCGILVERY
Executive Director