

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2707

IN THE MATTER OF:

Served May 21, 1985

Application of AMERICAN COACH)
 LINES, INC., to Change Rates)

Case No. AP-85-21

By application filed May 8, 1985, American Coach Lines, Inc. ("ACL" or "applicant"), seeks to increase and restructure its rates for services offered pursuant to Certificate of Public Convenience and Necessity No. 1.

For charter services offered pursuant to its WMATC authority, applicant proposes a rate for vehicles seating 45-53 passengers of \$45 an hour with guide and \$40 an hour without guide, minimum charge \$175. This proposed rate represents an increase of \$5 an hour or about 12 percent over ACL's current rate for a 47-53 passenger vehicle. The minimum charge has been changed from a four hour minimum to a flat \$175 charge, thereby eliminating any price differential between groups who provide their own guides and groups for whom ACL provides a guide. ACL's proposed tariff deletes a charge for vehicles seating 7-14 passengers as well as a rate for installation of a bar upon request. The proposed tariff adds an exculpatory clause regarding ACL's liability for timeliness and operations under extraordinary conditions. The clause further requires that all claims for damage be submitted in writing within nine months to ACL's offices.

For special operations offered pursuant to its WMATC authority, applicant proposes to offer the following tours and charges

<u>TOUR</u>	<u>INDIVIDUAL</u>	<u>PREARRANGED GROUPS</u>	
		<u>15 - 24</u>	<u>25 or more</u>
1. Government and Smithsonian Tour	\$12.00	\$9.60	9.00
2. Georgetown, Embassy Row, and Arlington Cemetery Tour	\$12.00	9.60	9.00
3. FBI and Air & Space Museum Tour	\$12.00	9.60	9.00
4. Mt. Vernon & Old Town Tour	\$16.00	13.60	11.00
5. Washington After Dark Tour	\$12.00	9.60	9.00

6. All Day Economy Tour	\$21.00	15.75	15.00
7 All Day Duluxe Tour	\$25.00	20.00	18.75
8. 2 - Day Washington Tour	\$44.00	35.20	33.00

The proposed tours and charges would be offered in substitution for the following tours and charges currently on file with the Commission.

<u>TOUR</u>	<u>INDIVIDUAL</u>	<u>PREARRANGED GROUPS</u> 15 or more persons	
		<u>ADULT</u>	<u>STUDENT</u>
1. Government Building Interior Tour	\$11.00	\$8.80	\$8.25
2. City-Arlington Tour	11.00	8.80	8.25
3. Mt. Vernon and Alexandria	16.50	\$13.20	\$12.38
4. Building-City-Arlington Tour	18.00	14.40	13.50
5. Mt. Vernon All Day Tour	24.00	19.60	18.38
6. All Day Tour Including FBI	18.00	14.40	13.50
7. Deluxe All Day Tour	29.50	23.60	22.13
8. Beautiful Washington at Night	12.00	9.60	9.00
9. Two Day Tour	39.00	31.60	29.63

Applicant's proposed tariff omits a student discount and specifies two group-discount rates, one for groups of 15-24, one for 25 or more persons. It also eliminates a prepayment discount. Applicant states that it has completely restructured its per capita tours and that the proposed tours and fares are not directly comparable with current tours and fares but have been structured in an attempt to conform more closely with public demand and costs. According to applicant such changes are minor and include both increases and reductions in fares as well as additional discounts and expanded tours.

In support of its requested increase applicant notes that, since its current tariff became effective in 1980, costs of fuel, driver wages, plant, and equipment have increased. As part of its application ACL submitted a copy of its 1984 WMATC Annual Report which indicated operating income of \$511,145 and operating expenses of 608,262 resulting in a net loss of \$97,117 for an operating ratio of 119.6 percent. An abbreviated projection supplied by applicant indicates total operating income for a six-month period (January - June 1985)

projected under the current tariff of \$425,160 plus total operating expenses for the same period of \$434,000 resulting in a net loss of \$8,840 or an operating ratio of 102.1 percent. Under the proposed tariff ACL projects an operating ratio of 96.4 percent for another six-month period (July - December 1985) based on projected total revenues of \$471,800 and projected total operating expenses of \$455,000 resulting in net income of \$16,800 for an operating ratio of 96.4 percent.

Applicant's proposed tariff shows an effective date of June 8, 1985. Additional supporting financial information has been requested by the Commission staff.

Pursuant to Title II, Article XII, Section 5(e) of the Compact, applicant is hereby directed to post notice of its proposed tariff, thereby giving notice to the traveling public of this application.

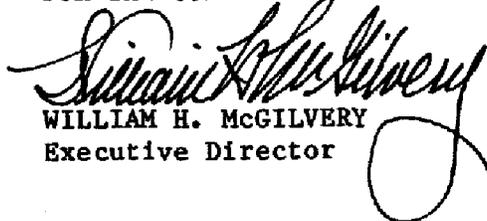
THEREFORE, IT IS ORDERED:

1. That American Coach Lines, Inc., post notice of its application for a rate change, in the form prescribed by the Staff of the Commission, in all vehicles, no later than Friday, May 24, 1985, and that such notice remain posted continuously through Monday, June 3, 1985.

2. That American Coach Lines, Inc., file an affidavit of such posting no earlier than Tuesday, June 4, 1985, and no later than Thursday, June 6, 1985.

3. That any person desiring to protest this application shall file a protest in accordance with Commission Rule No. 14, at the office of the Commission, Suite 316, 1625 I Street, N.W., Washington, D.C. 20006, no later than Monday, June 3, 1985, and shall simultaneously serve a copy of such protest on counsel for applicant, Robert R. Harris, Esquire, Suite 501, 1730 M Street, N.W., Washington, D.C. 20036.

FOR THE COMMISSION:


WILLIAM H. MCGILVERY
Executive Director