

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 14,773

IN THE MATTER OF:

Served May 20, 2014

Petition of METROPOLITAN WASHINGTON)
AIRPORTS AUTHORITY for Amendment of)
Interstate Rates and Charges for)
WASHINGTON FLYER Taxicabs)

Case No. MP-2014-004

This matter is before the Commission on the petition of the Metropolitan Washington Airports Authority (Airports Authority or MWA), filed October 28, 2013, requesting an increase in selected rates approved by the Commission in 2009 for interstate trips in Washington Flyer Taxi taxicabs, (Washington Flyer taxicabs), which operate out of Washington Dulles International Airport (Dulles Airport) pursuant to contract with the Airports Authority. The petition proposes that the Commission increase the quarterly-mile rate that applies to such trips after the first quarter mile and that the Commission increase the waiting time rate that applies to such trips, as follows:

	Current	Proposed
Each 1/4 mi. after first 1/4 mi.:	\$0.50	\$0.54
Waiting time per hour:	\$22.50	\$24.00

The petition further proposes that the Commission authorize pass-through treatment of tolls incurred on interstate Washington Flyer trips over passenger-selected routes.

I. JURISDICTION

Under the Washington Metropolitan Area Transit Regulation Compact,¹ (Compact), the Commission is responsible for prescribing the rates, charges, regulations, and minimum insurance requirements for interstate taxicab trips in the Washington Metropolitan Area Transit District,² including interstate trips to and from Dulles Airport.³ The Commission last prescribed interstate rates and charges for Washington Flyer taxicabs in 2009.⁴

¹ Pub. L. No. 101-505, § 1, 104 Stat. 1300 (1990) (codified at D.C. CODE ANN. § 9-1103.01 (2014); MD. TRANSP. CODE ANN. § 10-203 (2014); & VA. CODE ANN. §§ 56-529, 530 (2014)).

² Compact, tit. II, art. XI, §§ 1, 18.

³ Compact, tit. I, art. I.

⁴ *In re Interstate Rates and Charges for Wash. Flyer Taxicabs*, No. MP-09-103, Order No. 12,155 (Sept. 18), amended, Order No. 12,156 (Sept. 21, 2009).

The Commission's interstate taxicab jurisdiction applies when the taxicab: (a) has a seating capacity of 9 persons or less, including the driver; and (b) provides transportation from one signatory to another within the Metropolitan District.⁵

The Metropolitan District includes: the District of Columbia; the cities of Alexandria and Falls Church of the Commonwealth of Virginia; Arlington County and Fairfax County of the Commonwealth of Virginia, the political subdivisions located within those counties, and that portion of Loudoun County, Virginia, occupied by the Washington Dulles International Airport; Montgomery County and Prince George's County of the State of Maryland, and the political subdivisions located within those counties; and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of those counties, cities, and airports.⁶

For the purpose of prescribing interstate taxicab rates, charges, regulations, and minimum insurance requirements, the Metropolitan District also includes that portion of Anne Arundel County, Maryland, occupied by the Baltimore-Washington International Thurgood Marshall Airport, (BWI), except that this expansion of the Metropolitan District to include BWI does not apply to transportation conducted in a taxicab licensed by the State of Maryland or a political subdivision of the State of Maryland or operated under a contract with the State of Maryland.⁷

II. OPPORTUNITY TO COMMENT

The Commission invited comments on the proposed increase in selected Washington Flyer interstate taxicab rates and proposed authorization of pass-through treatment for tolls incurred on interstate trips in Washington Flyer taxicabs over passenger-selected routes. A 30-day comment period was established in Order No. 14,475, served January 10, 2014, and notice was placed on the Commission's website. As of the close of the comment period, no comments had been received.⁸

III. TAXICAB RATE POLICY

Under the Compact, the fare or charge for interstate taxicab transportation may be calculated on a mileage basis, a zone basis, or on any other basis approved by the Commission.⁹

⁵ Compact, tit. II, art. XI, §§ 1(b), 2, 3(f).

⁶ Compact, tit. I, art. I.

⁷ Compact, tit. II, art. XI, § 2.

⁸ The Commission received comments from one person after the comment period closed. Those comments are not a part of the record in this proceeding and have not been considered.

⁹ Compact, tit. II, art. XI, § 18(b).

"It has been the Commission's practice since 1961 to 'prescribe the rates and charges presently in effect in the local jurisdictions as the interstate rates and charges to the greatest extent possible.'"¹⁰ Today, this means that in the case of a trip in a locally-licensed taxicab, the interstate rates and charges are the same as those prescribed by the jurisdiction in which the taxicab is licensed.¹¹

Washington Flyer taxicabs are licensed by the Commonwealth of Virginia.¹² Virginia does not prescribe any intrastate rates and charges for Washington Flyer taxicabs that the Commission might adopt for use on interstate trips.¹³ The Commission instead sets interstate rates for Washington Flyer taxicabs by reference to the prevailing local rates.¹⁴ The Commission has found comparability with local rates to be the "essential element" in devising an appropriate interstate rate structure for Washington Flyer taxicabs.¹⁵

In sum, the Commission has made an effort over the years "to neither unduly restrain nor enhance the rate scheme which the local jurisdiction has determined to be appropriate", provided that the proposed rate scheme not be "unduly preferential or unduly discriminatory . . . between riders".¹⁶

IV. ANALYSIS OF PROPOSALS

Consistent with the foregoing interstate taxicab ratemaking policy, the Commission has approved interstate base-rate increases for Washington Flyer taxicabs in the past where: (1) the existing WMATC-approved rates and fares for Washington Flyer taxicabs were found to be lower than the median of taxicab rates and fares prevailing in the Washington Metropolitan Area at the time of the analysis; and (2) the rates and fares for Washington Flyer taxicabs under consideration were determined to be slightly higher than those medians but would not prove to be the highest in the area if adopted.¹⁷

Although the median base-rate approach does not lend itself to the task of evaluating the Airports Authority's proposed pass-through treatment of tolls, there is some precedent to apply, as noted below.

The following analyses are based on these precepts and precedent.

¹⁰ Order No. 12,155 at 3.

¹¹ *Id.* at 3.

¹² *Id.* at 4.

¹³ *Id.* at 4.

¹⁴ *Id.* at 4.

¹⁵ *Id.* at 4.

¹⁶ *Id.* at 8. The Airports Authority is considered a political subdivision. D.C. CODE § 9-1006(b)(2)(2014).

¹⁷ Order No. 12,155 at 6 & Appdx. A.

A. Proposed Mileage Rate

The Airports Authority cites an increase in Washington Flyer taxicab operating expenses since 2009, when the Commission last prescribed Washington Flyer interstate taxicab rates, as grounds for approving a mileage-rate increase of 16 cents per mile, or 4 cents per quarter mile. The Airports Authority notes that "the proposed [mileage-rate] increase for Washington Flyer taxicabs produces fares that are above the median but below two of the six taxicab fares currently set by the local jurisdictions."

The minimum interstate trip for Washington Flyer taxicabs is approximately 20 miles one way. Table 1 in Appendix A to this order displays the current WMATC-adopted base fares at 20- and 30-mile intervals for interstate trips in locally-licensed taxicabs and for interstate trips in Washington Flyer taxicabs. Table 1 also displays the proposed Washington Flyer base fares at 20- and 30-mile intervals. The median fares are included for comparison.

Table 1 shows that the current 20- and 30-mile base fares for Washington Flyer taxicabs are lower than the corresponding median of base fares in the Washington Metropolitan Area. Table 1 further shows that the 20- and 30-mile base fares for Washington Flyer taxicabs would be higher than the corresponding median of base fares in the Washington Metropolitan Area, but not the highest, were we to approve the mileage-rate increase proposed by the Airports Authority.

B. Proposed Waiting Time Rate

The Airports Authority's request for an increase in the waiting-time rate is as follows:

In addition to the per mile increase, the Airports Authority also requests that the Commission prescribe an increase to the waiting-time charge from \$0.50 per 80 seconds (\$22.50 per hour) to \$0.40 per 60 seconds (\$24 per hour). This rate is commonly increased whenever the per mile rate is increased. Charges for waiting time should apply when Washington Flyer taxicabs are traveling below 10 m.p.h. or 5 minutes after an appointed pick-up time. That charge for waiting time should also apply during stopovers en route at the direction of a passenger.

Table 2 in Appendix A to this order displays the current WMATC-adopted hourly waiting-time rates for interstate trips in locally-licensed taxicabs and for interstate trips in Washington Flyer taxicabs. Table 2 also displays the proposed Washington Flyer hourly waiting-time rate. The median rate is included for comparison.

Table 2 shows that the current hourly waiting-time rate for Washington Flyer taxicabs is lower than the median of hourly waiting-time rates in the Washington Metropolitan Area. Table 2 further shows

that the hourly waiting-time rate for Washington Flyer taxicabs would be slightly higher than the median hourly waiting-time rate in the Washington Metropolitan Area, but not the highest, were we to approve the waiting-time rate increase proposed by the Airports Authority.

C. Proposed Pass-Through Treatment for Tolls

The Airports Authority's request for pass-through treatment of tolls is predicated on the following:

[W]ith the advent of the new 495 Express Lanes, the Airports Authority foresees that passengers may consider the time saved by using the lanes to be advantageous. The Airports Authority asks that when a passenger requests a route that involves payment of a toll (495 Express Lanes, Dulles Toll Road, other bridges, tunnels, and roads), that the Washington Flyer taxicab drivers be permitted to charge the customer the actual amount incurred by the driver and add this amount to the fare.

The Commission long has recognized, from a passenger carrier ratemaking perspective, the legitimacy of approving pass-through treatment of tolls,¹⁸ albeit not in the context of a taxicab ratemaking proceeding. And pass-through treatment of tolls for trips in taxicabs finds its analog in the Commission's express approval for many years of pass-through treatment of the taxicab dispatch fee for on-demand trips originating at Reagan National Airport.¹⁹

In 2009, the Commission ceased expressly ruling on each increase in the Reagan National taxicab dispatch fee and declared that effective, January 1, 2010, the incidental charges prescribed by local taxicab licensing jurisdictions and adopted by the Commission for application to interstate taxicab trips between points in the Metropolitan District shall include airport dispatch fee surcharges to the extent locally prescribed,²⁰ thus more fully upholding our policy of adopting for interstate taxicab trips the rates and charges a local licensing jurisdiction has determined to be appropriate.

This brings us to the list of charges adopted by this Commission for use on interstate trips in taxicabs licensed and regulated by Fairfax County, Virginia, which list includes a provision for pass-through treatment of tolls:

¹⁸ At this time, WMATC has 100 general tariffs with toll provisions on file for WMATC licensed carriers. See *Carrier Information, WMATC Carrier Rates* at www.wmatc.gov.

¹⁹ *In re Dispatch Fee Surcharge for Interstate Taxicab Trips Originating at Ronald Reagan Wash. National Airport*, No. MP-09-081, Order No. 12,062 at 1-2 (June 26, 2009).

²⁰ *Id.* at 5.

Tolls - paid by the driver along a route to a passenger's destination may be added to the passenger's fare provided the passenger was informed of the toll and given the option of taking an alternative route which does not require the payment of the toll. If more than one passenger is transported, the driver may not recover more than the total toll actually paid during the trip.

Fairfax County, Va., Code § 84.1-6-3(c)(5) (1976).²¹

We see no reason to recognize pass-through treatment of tolls for one approving political subdivision (Fairfax County) and not another (MWAA).

V. CONCLUSION

Given our policy of favoring a rate scheme that the local jurisdiction has determined to be appropriate and considering that the mileage and waiting-time rate increases proposed by the Airports Authority fall within the zone of reasonableness as that zone is defined under applicable WMATC taxicab ratemaking precedent, and further considering our approval of pass-through treatment of tolls generally, and with respect to interstate taxicab trips over routes knowingly selected by the passenger specifically, we hereby approve the mileage-rate increase, the waiting-time rate increase, and the pass-through treatment of tolls proposed by the Airports Authority for interstate trips in Washington Flyer taxicabs.

THEREFORE, IT IS ORDERED:

1. That effective, June 19, 2014, the base rate and incidental charges for an interstate trip between points in the Metropolitan District in a Washington Flyer Taxi taxicab shall be the base rate and incidental charges specified in Appendix B to this order.

2. That effective, June 19, 2014, the interstate rates and charges specified in Appendix B to this order shall be displayed in the right rear window of each Washington Flyer Taxi taxicab.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS BRENNER, HOLCOMB, AND BROWN:



William S. Morrow, Jr.
Executive Director

²¹ Adopted for interstate trips pursuant to *In re Interstate Taxicab Rates and Charges*, No. MP-05-132, Order No. 9240 (Jan. 6, 2006).

Table 1 - LOCAL BASE FARES

Jurisdiction	20 Miles	30 Miles
District of Columbia	\$46.43	\$68.03
Alexandria	\$46.20	\$67.80
Proposed Flyer	\$46.16	\$67.76
Fairfax	\$44.95	\$65.95
Median Non- Flyer	\$44.68	\$65.68
Arlington	\$44.40	\$65.40
Montgomery	\$43.50	\$63.50
Current Flyer	\$43.00	\$63.00
Prince George's	\$37.75	\$55.25

Table 2 - WAITING TIME RATES

Jurisdiction	Hourly Rate	Begins minutes after pick- up time	Applies when cab is below m.p.h.
Montgomery	\$28.00	5 min	13
District of Columbia	\$25.00	5 min	10
Alexandria	\$25.00	3 min	7
Proposed Flyer	\$24.00	5 min	10
Median Non- Flyer	\$23.75	5 min	10
Arlington	\$22.50	5 min	10
Current Flyer	\$22.50	unspecified	unspecified
Fairfax	\$21.18	5 min	10
Prince George's	\$15.00	unspecified	12

INTERSTATE TAXICAB RATES AND CHARGES
FOR WASHINGTON FLYER TAXICAB SERVICE WITHIN THE
WASHINGTON METROPOLITAN AREA TRANSIT DISTRICT

\$3.50 First 1/4 mile or fraction
.54 Each additional 1/4 mile or fraction
.40 Each 60 seconds of waiting time (\$24.00/hour)
1.50 Each additional passenger in a pre-formed party

Snow Emergency Surcharge:

There shall be a surcharge of \$2.50 per trip during periods of snow emergency declared by the District of Columbia.

Waiting time shall include:

- 1) time consumed while a taxicab is waiting for passengers beginning 5 minutes after the time of arrival at a pick-up location. No time shall be charged for premature pick-up;
- 2) time consumed while a taxicab is stopped or slowed to a speed of less than 10 m.p.h.; and
- 3) time consumed for stopovers en route at the direction of the passenger.

Tolls:

Tolls paid by a driver on a passenger-selected route may be added to a passenger's fare; provided, that before taking that route the passenger was informed of the toll(s) and given the option of taking an alternative route not requiring payment of a toll. A driver may not recover more than the toll amount actually paid regardless of the number of passengers being transported.